

1 UNITED STATES BANKRUPTCY COURT

2 SOUTHERN DISTRICT OF NEW YORK

3 - - - - - x

4 In the Matter

5 IRVING H. PICARD, TRUSTEE

6 FOR THE LIQUIDATION OF B, Adv. Case No. 10-04377-SMB

7 Plaintiff,

8 VS.

9 NELSON, ET AL.

10 Defendants.

11 - - - - - x

12 In the Matter

13 IRVING H. PICARD, TRUSTEE

14 FOR THE LIQUIDATION OF B, Adv. Case No. 10-04658-SMB

15 Plaintiff,

16 VS.

17 NELSON, ET AL.

18 Defendants.

19 - - - - - x

20 United States Bankruptcy Court

21 One Bowling Green

22 New York, New York 10004-1408

23 May 9, 2019

24 2:00 PM

25

1 B E F O R E :

2 HON. STUART M. BERNSTEIN

3 U.S. BANKRUPTCY JUDGE

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1 HEARING RE: Adversary Proceeding: 10-04377-smb, Irving H.
2 Picard, Trustee for the Liquidation of B v Nelson, et al.,
3 Trial.

4
5 HEARING RE: Adversary Proceeding: 10-04377-smb, Irving h.
6 Picard, Trustee, for the Liquidation of B v. Nelson, et al.,
7 Trial.

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25 Transcribed by: Pamela A. Skaw and Tracey Williams

1 A P P E A R A N C E S :

2 BAKER HOSTETLER

3 Attorneys for

4 45 Rockefeller Plaza

5 New York, NY 10111

6

7 BY: DEAN D. HUNT, ESQUIRE

8 MARIE L. CARISLE, ESQUIRE

9 AMY E. VANDERWAL, ESQUIRE

10 NICHOLAS J. CREMONA, ESQUIRE

11 MAXIMILLIAN S. SHIFRIN, ESQUIRE

12 SEANNA R. BROWN, ESQUIRE

13 DAVID J. SHEEHAN, ESQUIRE

14

15 CHAITMAN, LLP

16 Attorney for

17 465 Park Avenue

18 New York, NY 10022

19

20 BY: HELEN DAVIS CHAIRMAN, ESQUIRE

21

22

23

24

25

1 P R O C E E D I N G S

2 THE CLERK: All rise.

3 THE COURT: Please be seated.

4 (Pause)

5 THE COURT: Is Ms. Collura --

6 MR. HUNT: She is, Your Honor.

7 Dean Hunt for the Trustee. Just a couple of
8 housekeeping matters, if I may.

9 THE COURT: Uh-huh.

10 MR. HUNT: First of all, I want to say we have
11 Ms. Collura and Mr. Greenblatt here today. I'd ask the
12 Defendants to identify their witnesses.

13 UNIDENTIFIED SPEAKER: He doesn't know
14 (indiscernible).

15 MR. HUNT: Second --

16 THE COURT: Can you please keep your voices up?
17 It's --

18 MR. HUNT: Okay. We'll give it our best. Sorry.

19 Second, my partners have advised me that I
20 referred to the Trustee's demonstrative exhibits one through
21 ten as just exhibits one through ten during Ms. Collura's
22 testimony.

23] So, I wanted to clarify the record on that.

24 Good morning.

25 THE COURT: Okay. Thank you.

1 MR. HUNT: And, then, third, I would ask the Court
2 to seal the portion of the record yesterday dealing with
3 Mr. Dubinski's (ph) compensation.

4 THE COURT: Why?

5 MR. HUNT: It's highly personal and it is not
6 relevant to the case.

7 THE COURT: It's arguably relevant to bias.

8 MR. HUNT: But he'd already been qualified as an
9 expert by the time she asked that question.

10 THE COURT: But it's still relevant to his bias,
11 to his opinion; isn't it?

12 MR. HUNT: Okay. But I just--

13 THE COURT: In other words, he can be an expert
14 but he can be biased.

15 MR. HUNT: I just -- if you would take that under
16 advisement because it is pretty personal information that
17 would be out in public everywhere.

18 THE COURT: I just think that his compensation is
19 relevant to bias.

20 MR. HUNT: Thank you, Your Honor.

21 THE COURT: All right. Ms. Collura.

22 (Pause)

23 THE COURT: You're still under oath. Do you
24 understand that?

25 THE WITNESS: Yes, I do.

1 THE COURT: Okay. Go ahead, Ms. Chaitman.

2 MS. DAVIS CHAITMAN: Thank you, Your Honor.

3 CROSS-EXAMINATION

4 BY MS. DAVIS CHAITMAN:

5 Q Good afternoon, Ms. Collura.

6 A Good afternoon.

7 Q In putting together your report, you reviewed every
8 single transaction involving the Nelsons; didn't you?

9 A The case transactions. Yes.

10 Q Okay. And you reviewed all of the documents relating
11 to their accounts in the process of doing that; didn't you?

12 A Which documents? I -- their -- which documents are you
13 referring to?

14 Q In preparing your report, did you review the Nelsons'
15 account documents?

16 A I reviewed checks and bank records related to their
17 cash transactions.

18 Q Okay.

19 A I reviewed documents in their customer files related to
20 their accounts.

21 Q Okay. Okay.

22 Now, the payments to the Nelsons all came from the 509
23 account at J.P. Morgan Chase; isn't that true?

24 A That's correct.

25 Q Okay. And let's look at the 509 account statements.

1 MS. DAVIS CHAITMAN: Roy, if you'd be good enough to
2 pull up DX-Y.

3 (Pause)

4 MS. DAVIS CHAITMAN: And if you could go to the
5 first page. Yeah. Thank you.

6 (Pause)

7 BY MS. DAVIS CHAITMAN:

8 Q This is in DX-Y. It's a compilation of global
9 electronic funding reports and if you look -- this one has a
10 Bates number of MADTSS01293772.

11 And if you look, this document is dated
12 January 2nd, 2007; do you see that?

13 A I do.

14 Q And the account number is listed ending in 509; do you
15 see that?

16 A Yes. I do.

17 Q And do you see that the account name is in Bernard L.
18 Madoff?

19 A Yes. I do.

20 Q Okay.

21 MS. DAVIS CHAITMAN: And can you go to the next
22 document?

23 THE COURT: Can I ask you what exhibit -- how is
24 this Exhibit marked? I don't see the markings
25 (indiscernible).

1 MS. DAVIS CHAITMAN: This is DX-Y, Exhibit DX-Y.

2 THE COURT: Okay. Thank you.

3 MS. DAVIS CHAITMAN: And I'm not going through
4 every document in that Exhibit but I'm going through a bunch
5 of them.

6 THE COURT: I just didn't see the exhibit marking
7 so it's identified.

8 MS. DAVIS CHAITMAN: Okay.

9 THE COURT: All right.

10 (Pause)

11 BY MS. DAVIS CHAITMAN:

12 Q Okay. This is statement dated December 18th, 2006 for
13 the 509 account. It's also in the name of Bernard L.
14 Madoff; do you see that?

15 A I do but I wouldn't refer to this as a statement for
16 the 509 account.

17 Q Okay.

18 A It's a document related to but I wouldn't call this a
19 statement.

20 Q Right. You're right. It's an electronic funding
21 report.

22 A Right. That's the title of it.

23 Q Right.

24 Without going through these, which I'm prepared to do
25 because they're in DX-Y, would you agree, Ms. Collura, that

1 the 509 account was always maintained, according to J.P.

2 Morgan Chase's records in the name of Bernard L. Madoff?

3 A No. I would not agree with that.

4 Q Okay. Then, let's keep going.

5 Here's a document which is dated October 5th, 2005.

6 It's Bates number MADTSS01338921. And this shows that the

7 509 account is in the name of Bernard Madoff as of

8 October 5th, 2005; do you agree?

9 A Well, that's what this document shows. I -- if you
10 have a copy of a statement, not for this -- for this time
11 period, yes, for 2005, the name on the monthly statement for
12 the 509 account will be different.

13 Q Okay. We'll go through that.

14 A Okay.

15 MS. DAVIS CHAITMAN: Can you pull up the next one,
16 please?

17 BY MS. DAVIS CHAITMAN:

18 Q This is dated December 3rd, 2005 and, again, it's a
19 electronic funding report and it lists the name of the 509
20 account as Bernard L. Madoff; do you see that?

21 A Yes. That's what's on this document.

22 Q Okay. Okay.

23 Well, are you prepared, just to expedite this slightly,
24 that -- to agree that every electronic funding report is in
25 the name of Bernard L. Madoff?

1 A I can't testify to that.

2 Q Okay. No problem.

3 A I haven't look at every one.

4 THE COURT: Aren't these in evidence?

5 MS. DAVIS CHAITMAN: Well, they are. I can -- I'm
6 putting the whole --

7 THE COURT: Yeah. I mean, she didn't prepare
8 them. So, whatever they say, they say.

9 MS. DAVIS CHAITMAN: Right. Okay.

10 And could you pull up, please, for us DX-Z as in
11 Zebra?

12 (Pause)

13 BY MS. DAVIS CHAITMAN:

14 Q If you look at this document, which is dated
15 May 16th, 2005 to May 20th, 2005, do you see that this shows
16 Bernard Madoff as the holder of the account ending in 509?

17 THE COURT: Maybe I'm not seeing it but is this a
18 Bates labelled document? It --

19 MS. DAVIS CHAITMAN: It is. It's on the side on
20 the upper right hand corner.

21 THE COURT: Oh, okay. Thank you.

22 MS. DAVIS CHAITMAN: Do you want me to read it
23 into the record or are you okay?

24 THE COURT: You can do what you want. Well, let's
25 -- (indiscernible) the last five digits of the Bates number?

1 MS. DAVIS CHAITMAN: It begins MAD and it ends
2 with 74945.

3 THE COURT: Thank you.

4 BY MS. DAVIS CHAITMAN:

5 Q And you would agree that this shows Bernard Madoff on
6 this statement as being the owner of the 509 account, right?

7 A This document has Bernard L. Madoff on it but I
8 wouldn't say that that indicates the holder of the account.

9 The monthly statement for the 509 account would
10 indicate that.

11 Q Okay.

12 MS. DAVIS CHAITMAN: Can you go, please, Roy, to
13 DX-AA -- just DX-AA?

14 (Pause)

15 BY MS. DAVIS CHAITMAN:

16 Q Okay. This is a statement and this is actually, I
17 believe, the very last statement that was sent out by
18 J.P. Morgan Chase, right?

19 A I think that there were statements in 2009.

20 Q Okay.

21 Well, this covers the last period of when he was
22 operating?

23 A Correct.

24 Q Is that fair to say? Okay.

25 A Yes. That's fair.

1 Q And the name of the account is Bernard L. Madoff

2 Investment Securities; do you see that?

3 A I do.

4 Q It doesn't say LLC; does it?

5 A There's no LLC on the name here. No.

6 Q Okay.

7 And would you agree with me that you've never seen a
8 J.P. Morgan Chase monthly statement which read as the owner
9 of the account Bernard L. Madoff Investment Securities, LLC?

10 A Not for the 509 account.

11 Q You would agree with me that you have not seen it?

12 A There -- I think there were some other bank accounts
13 that were held in the name with LLC.

14 Q Just answer my specific question. You'll have an
15 opportunity on redirect to say whatever you'd like. But
16 just answer my questions.

17 Did you ever see a statement from the 509 account that
18 listed Bernard L. Madoff Investment Securities, LLC as the
19 holder of the account?

20 A No.

21 Q Thank you.

22 MS. DAVIS CHAITMAN: Would be good enough to pull
23 up DX-E?

24 (Pause)

25 BY MS. DAVIS CHAITMAN:

1 Q Now, this is a December 1, 2000 statement for the 703
2 account; do you see that?

3 A I do.

4 Q And this is in the name of Bernard L. Madoff; is it
5 not?

6 A It is.

7 Q Okay.

8 MS. DAVIS CHAITMAN: And, Roy, can you go to the
9 next document, please?

10 (Pause)

11 BY MS. DAVIS CHAITMAN:

12 Q This is a statement as of December 31, 2001 and this is
13 also for the 703 account; is it not?

14 A It is.

15 Q And this is in the name of Bernard L. Madoff; isn't
16 that true?

17 A It's true.

18 Q And do you recall the date when the LLC was formed?

19 A January 2001.

20 Q Okay. So, this is 11 months later and the account is
21 in the name of Bernard L. Madoff; isn't that right?

22 A Yes, that's right.

23 Q Okay.

24 MS. DAVIS CHAITMAN: Roy, can you go to the next
25 document, please?

1 (Pause.)

2 BY MS. DAVIS CHAITMAN:

3 Q Here's a statement dated December 31, 2002, for the 703
4 account, right?

5 A Correct.

6 Q And it says Bernard L. Madoff Investment Securities; do
7 you see that?

8 A I do.

9 Q There's no LLC, right?

10 A There's no LLC.

11 MS. DAVIS CHAITMAN: Can you go to the next
12 statement, please?

13 (Pause)

14 BY MS. DAVIS CHAITMAN:

15 Q This is a statement dated December 31, 2003. Same
16 thing. This account is not in the name of the LLC; is it?

17 A There's no LLC on the account name.

18 Q Okay.

19 MS. DAVIS CHAITMAN: Can you go to the next
20 statement, please, Roy?

21 (Pause)

22 BY MS. DAVIS CHAITMAN:

23 Q Here we are on December 31st, 2004. There's no LLC in
24 the account holder's name; is there?

25 A No.

1 MS. DAVIS CHAITMAN: Can you go to the next
2 statement, please?

3 (Pause)

4 BY MS. DAVIS CHAITMAN:

5 Q This is December 30th, 2005. There's no LLC in the 703
6 account statement's holder, the holder's name, is there?

7 A No.

8 MS. DAVIS CHAITMAN: Can you go to the next
9 document, please?

10 (Pause)

11 BY MS. DAVIS CHAITMAN:

12 Q This is December 29th, 2006. Same question. Same
13 answer?

14 A There's no LLC.

15 Q Thank you.

16 MS. DAVIS CHAITMAN: Can you go to the next
17 document, please, Roy?

18 (Pause)

19 BY MS. DAVIS CHAITMAN:

20 Q This is December 2007; do you see that even as of
21 December 31, 2007, the name of the account is Bernard L.
22 Madoff Investment Securities without LLC. Do you see that?

23 A I see that.

24 (Pause)

25 MS. DAVIS CHAITMAN: Roy, can you bring up DX-Y?

1 (Pause)

2 BY MS. DAVIS CHAITMAN:

3 Q Now, this is a --

4 THE COURT: Could you identify it with Bates
5 number please because these documents are all compilations
6 of various --

7 MS. DAVIS CHAITMAN: Sure.

8 THE COURT: -- information.

9 MS. DAVIS CHAITMAN: It's in the documents --

10 THE COURT: They're not necessarily all
11 (indiscernible).

12 MS. DAVIS CHAITMAN: Sure. It's MADTSS01284251.
13 It's in the lower right hand corner of the document.

14 Can you see it?

15 THE COURT: I can see it.

16 MS. DAVIS CHAITMAN: Okay.

17 BY MS. DAVIS CHAITMAN:

18 Q Does this document indicate that it's in the name of
19 the LLC?

20 A This is a document related to the 509 account and the
21 account name on this document is listed just as Bernard L.

22 Q But you would agree that the 509 account was always in
23 the name of the LLC -- of Bernard L. Madoff, not the LLC,
24 right?

25 A Well, no. The 509 account was in the name of Bernard

1 L. Madoff until September 2002 when it changed to Bernard L.
2 Madoff Investment Securities.

3 Q Okay. The 509 account was never changed to Bernard L.
4 Madoff Investment Securities, LLC; was it?

5 A That was never on the statements.

6 Q Okay.

7 Now, you understand that at the time the LLC was
8 formed, since Madoff was operating as a sole proprietorship,
9 prior to that time, if he'd wanted to do business with banks
10 as the LLC, he had to send them written notice that he was
11 changing the name on the account; isn't that true?

12 A I can't opine on that. I don't know that.

13 Q Okay.

14 MS. DAVIS CHAITMAN: Can you pull up DX-U, please?

15 BY MS. DAVIS CHAITMAN:

16 Q This is a document which is dated July 17th --

17 MS. DAVIS CHAITMAN: Do you want me to read the
18 Bates number? I'll read --

19 THE COURT: If it's a one page document, that's
20 fine.

21 MS. DAVIS CHAITMAN: Okay.

22 BY MS. DAVIS CHAITMAN:

23 Q This is DX-U. It's dated July 17, 1991 and it's on the
24 letterhead Bernard L. Madoff Investment Securities.

25 So, you're aware that Madoff was using that trade name

1 as far back as 1991, right?

2 A I'd seen Bernard L. Madoff Investment Securities, this
3 logo, on documents back --

4 Q In the period --

5 A Yeah.

6 Q -- long, long before the LLC was formed; isn't that
7 true?

8 A I've seen this logo on the documents prior to the LLC
9 being formed, yes.

10 Q Okay.

11 MS. DAVIS CHAITMAN: Can you pull up, please, Roy,
12 DX-HC to LT?

13 (Pause)

14 BY MS. DAVIS CHAITMAN:

15 Q If we can quickly run through these checks.

16 Ms. Collura, I'd just like you to agree with me as to
17 the account holder as reflected on the documents, okay?

18 So, here's one as of March 29th, 1999, this is a check
19 to the Nelsons and it's from the account of Bernard L.
20 Madoff; isn't it not?

21 A Yes.

22 Q Okay.

23 A In the 509 account. Yes.

24 Q Okay.

25 MS. DAVIS CHAITMAN: Roy, you can move through

1 these as I talk about them.

2 BY MS. DAVIS CHAITMAN:

3 Q This is one dated April 9th, 1999. Same thing, right?

4 It's in the name --

5 A Yes.

6 Q -- of Bernard L. Madoff?

7 A Yes, from the 509 account.

8 Q Okay.

9 And this is dated May 27th, 1999. Same thing. To the
10 Nelsons from Bernard L. Madoff, right?

11 A Yes, on the 509 account.

12 Q Okay. Okay.

13 The same thing for 7/29/99, correct?

14 A Correct.

15 MS. DAVIS CHAITMAN: You can go to the next one.

16 Thanks.

17 BY MS. DAVIS CHAITMAN:

18 Q Same thing for 8/19/99, correct?

19 A Yes.

20 MS. DAVIS CHAITMAN: Next, Roy.

21 BY MS. DAVIS CHAITMAN:

22 Q Same thing for 11/22/99, right?

23 A Yes.

24 Q Okay.

25 A The check's from the -- a check from the 509 account.

1 Q Okay.

2 Well, all of the checks that were paid to the
3 Nelsons were paid from the 509 account; isn't that true?

4 A That's right.

5 Q Okay.

6 And here's one dated 4/12/2000, same thing. Bernard L.
7 Madoff is the holder of the account, right?

8 A That's what -- his name is on this check, yes.

9 Q Okay.

10 And here's one dated May 1, 2000, same thing, right?

11 A Yes.

12 Q June 1, 2000, same thing, right? Bernard L. Madoff is
13 the holder of the account.

14 A It's the name on this check, yes.

15 Q Okay.

16 MS. DAVIS CHAITMAN: Next one.

17 (Pause)

18 BY MS. DAVIS CHAITMAN:

19 Q June 26th, 2000, same thing?

20 A Yes.

21 Q October 27th, 2000, same thing?

22 A Yes.

23 Q January 12th, 2001, same thing, right?

24 A Yes.

25 Q March 7th, 2001, same thing, right?

1 A Yes.

2 Q Now, as of March 7th, 2001, the LLC had been formed;
3 isn't that true?

4 A Yes. I believe that happened in January of 2001.

5 Q Right. Okay.

6 MS. DAVIS CHAITMAN: Next check, Roy, please.

7 (Pause)

8 BY MS. DAVIS CHAITMAN:

9 Q April 17th, 2001, same thing?

10 A Yes.

11 Q March 7, 2001, same thing?

12 A Yes.

13 Q June 22nd, 2001, same thing?

14 A Yes.

15 Q August 1st, 2001, same thing?

16 A Yes.

17 Q 9/26/2001, same thing?

18 A Yes.

19 Q December 11th, 2001, same thing?

20 A Yes.

21 Q December 10th, 2002, same thing?

22 THE COURT: I think that's -- you mischaracterized
23 the document.

24 Are all the 509 checks bearing the name Bernard
25 Madoff?

1 MS. DAVIS CHAITMAN: Let me skip to some of the
2 later ones.

3 THE COURT: All right.

4 MS. DAVIS CHAITMAN: Roy, if you can skip to, say,
5 2005.

6 THE COURT: Because all she's doing is reading the
7 names off of the exhibits.

8 MS. DAVIS CHAITMAN: Right. Right.

9 (Pause)

10 MS. DAVIS CHAITMAN: If you can go to one that
11 ends in 2005.

12 (Pause)

13 BY MS. DAVIS CHAITMAN:

14 Q Okay. Here's a check --

15 MS. DAVIS CHAITMAN: If you could just blow that
16 up for us, Roy.

17 Thank you so much.

18 BY MS. DAVIS CHAITMAN:

19 Q Okay. So, here's a check which is dated
20 January 25th, 2005 and this is the same thing; the check was
21 from the account of Bernard L. Madoff, right?

22 A Yes. The difference in this time period the statement
23 for the 509 said Bernard L. Madoff Investment Securities.

24 Q Right. But they don't say LLC, right?

25 A No LLC.

1 Q Okay. And you understand the difference between a
2 trade name and a limited liability company?

3 A I --

4 Q You don't?

5 A No.

6 MR. HUNT: Ms. Collura's not designated to testify
7 about corporate structures.

8 THE COURT: Well, but she's asking her -- it goes
9 to the absence of LLC on the documents.

10 BY MS. DAVIS CHAITMAN:

11 Q So, when you analyzed the work to do, your report, you
12 didn't perceive as any significance to whether a document
13 said LLC or just said Bernard L. Madoff Investment
14 Securities?

15 A No.

16 MS. DAVIS CHAITMAN: Can you skip to 2006, just
17 one check?

18 (Pause)

19 BY MS. DAVIS CHAITMAN:

20 Q Okay. So, in 2006, the checks were still on the
21 account of Bernard L. Madoff, right?

22 A The check -- on the name -- on the check, it was
23 Bernard L. Madoff. But the statement for the 509 account
24 was Bernard L. Madoff Investment Securities.

25 Q Okay. But it didn't say LLC, right?

1 A No.

2 Q Okay. And you recall that we just, a few minutes ago,
3 looked at documents showing that in 1991, Madoff was using
4 the trade name Bernard L. Madoff Investment Securities; do
5 you recall that?

6 A I -- there was the logo on that account. I don't -- I
7 don't know if I would call that a trade name.

8 Q Okay.

9 A But I would refer to that as a logo on a like
10 letterhead.

11 Q Okay.

12 MS. DAVIS CHAITMAN: Can you skip to 2007, Roy?
13 Just one check.

14 (Pause)

15 BY MS. DAVIS CHAITMAN:

16 Q Same thing, right, Ms. Collura?

17 A The same thing but in this time period the statement's
18 name was Bernard L. Madoff Investment Securities.

19 Q Without the LLC, right?

20 A Correct.

21 Q Okay. Thank you.

22 MS. DAVIS CHAITMAN: And can I have one check from
23 2008, please, Roy?

24 (Pause)

25 MS. DAVIS CHAITMAN: Oh. We're going to get to

1 those. Okay.

2 Thank you. This is perfect.

3 BY MS. DAVIS CHAITMAN:

4 Q Here's a check dated March 26, 2008, same name on the
5 check, right? Bernard L. Madoff.

6 A Yes.

7 Q Okay.

8 A But if you'd look at the statements, it would say
9 Bernard L. Madoff Investment Securities.

10 Q I -- it's wonderful that you repeat that. I get that
11 point.

12 THE COURT: Well, you keep asking her the same
13 question.

14 MS. DAVIS CHAITMAN: I know. That's true. But
15 it's a different document, Your Honor.

16 THE COURT: It's the same question.

17 MS. DAVIS CHAITMAN: I can rephrase it each time.
18 It'll take me a little longer but --

19 THE COURT: You try your case.

20 MS. DAVIS CHAITMAN: Would you, Roy, bring up
21 DX-HW, please?

22 (Pause)

23 BY MS. DAVIS CHAITMAN:

24 Q Now, I want to go through the checks that the Nelsons
25 sent into Madoff and if you looked -- I'm sure you looked at

1 these, didn't you, when you went through to do your report?

2 A Yes, I did.

3 Q Okay. And this is a check dated March 15th, 2002 and
4 it was made out to Bernard L. Madoff Securities; do you see
5 that?

6 A Yes.

7 Q Okay.

8 MS. DAVIS CHAITMAN: Roy, can you go to something
9 in 2003?

10 (Pause)

11 MS. DAVIS CHAITMAN: Oh, excuse me. Before you do
12 that.

13 BY MS. DAVIS CHAITMAN:

14 Q Look at the endorsement on this check. It says -- do
15 you see how it says pay to the order of Chase Manhattan Bank
16 for deposit only Bernard L. Madoff?

17 A Yes.

18 Q And you looked at the endorsements on the back of the
19 checks; didn't you?

20 A It wasn't so relevant to me for deposited checks. That
21 was -- I really used those endorsements for tracing checks
22 that were written from BLMIS.

23 But I'm -- you know, clearly, this is an endorsement
24 from BLMIS depositing it into their 703 account.

25 Q Well, it says pay to the order of Chase Manhattan Bank

1 for deposit only Bernard L. Madoff; do you see that?

2 A I do.

3 Q Okay.

4 MS. DAVIS CHAITMAN: Can you go to the -- the
5 next check, please?

6 (Pause)

7 BY MS. DAVIS CHAITMAN:

8 Q This is February 14th, 2003 and, again, it was made --

9 MS. DAVIS CHAITMAN: Oh, you know what? I'm
10 looking for the checks that are from the Nelsons to Madoff.
11 Sorry.

12 (Pause)

13 MS. DAVIS CHAITMAN: There you go. We're
14 skipping.

15 BY MS. DAVIS CHAITMAN:

16 Q Here's one in January of 2008 and it's from Carol and
17 Stanley Nelson and it's also made out to Bernard Madoff
18 Securities; do you see that?

19 A I do.

20 Q And the stamp says for deposit only Bernard L. Madoff;
21 do you see that?

22 A Yes.

23 (Pause)

24 MS. DAVIS CHAITMAN: Can you pull up DX-HW,
25 please?

1 (Pause)

2 MS. DAVIS CHAITMAN: This is a -- we actually
3 looked at this. This is the 2002 check that was deposited
4 into Bernard L. Madoff's account.

5 Can you pull up DX-JX, please, Roy?

6 (Pause)

7 BY MS. DAVIS CHAITMAN:

8 Q Okay. This is one dated January 15th, 2008 from the
9 Nelsons to Bernard Madoff Securities and, again, it was for
10 deposit only Bernard Madoff; do you see that?

11 A Yes.

12 Q Okay.

13 (Pause)

14 BY MS. DAVIS CHAITMAN:

15 Q Now, you understand that when a corporate name is
16 changed that you have to notify any holder of any bank that
17 the company is doing with that the -- there's been a change
18 in the name; isn't that true?

19 A I'm not -- but I'm not -- I can't opine --

20 Q You're not aware that?

21 A -- on that.

22 Q Okay.

23 MS. DAVIS CHAITMAN: Can you pull up DX-L,
24 please?

25 (Pause)

1 BY MS. DAVIS CHAITMAN:

2 Q This is dated January 1, 2001 and it's a letter from
3 Bernard L. Madoff Investment Securities, LLC; do you see
4 that?

5 A Yes.

6 Q And it's written to Bank of New York; do you see that?

7 A Yes.

8 Q And, in essence, the letter says, we have changed the
9 -- from the sole proprietorship. It -- we've now formed
10 Bernard L. Madoff Investment Securities, LLC; do you see
11 that?

12 A Yes.

13 Q Okay. And --

14 MS. DAVIS CHAITMAN: Can you pull up DX-M, please,
15 Roy?

16 (Pause)

17 BY MS. DAVIS CHAITMAN:

18 Q That same letter was sent to a whole bunch of different
19 companies; wasn't it?

20 A I don't know who else it was sent to. I see this one
21 was sent to the National Securities Clearing Corporation.

22 Q The NESCC with which Madoff regularly did business,
23 right?

24 You don't know that?

25 A I don't know that.

1 Q Okay.

2 MS. DAVIS CHAITMAN: Could you pull up DX-N,
3 please?

4 (Pause)

5 BY MS. DAVIS CHAITMAN:

6 Q Same letter sent to the Options Clearing Corporation,
7 also on January 1st, 2001; do you see that?

8 A Yes.

9 MS. DAVIS CHAITMAN: And could you pull up
10 DX-O, please?

11 (Pause)

12 BY MS. DAVIS CHAITMAN:

13 Q Same letter to the Depository Trust Company; do you see
14 that?

15 A Yes.

16 Q Have you ever seen a letter like this that was
17 addressed to J.P. Morgan Chase instructing Chase to change
18 the name of the 703 and the 509 account to the LLC?

19 A No, I have not.

20 (Pause)

21 BY MS. DAVIS CHAITMAN:

22 Q Now, when you reconciled the Nelsons accounts, you
23 tried to utilize third party records, didn't you, to do
24 that?

25 A I did.

1 Q And you did that because third party records are a lot
2 more reliable than Madoff's internal records; isn't that
3 true?

4 A They're more reliable in the sense that they're not --
5 that's they're -- I mean, third party bank records, to me,
6 are critical in an investigation and to do my
7 reconciliation. So, they're -- they're clearly important in
8 my work.

9 Q Why do you say they're critical?

10 A Third party bank records? Because they're -- they help
11 to verify transactions.

12 Q Okay. Because the bank records are third party
13 evidence that a check cleared through the payee's account;
14 isn't that right?

15 A If it was a withdrawal from the account.

16 Q Right.

17 A Yes.

18 Q Correct.

19 Now, you testified that you verified the deposits and
20 withdrawals in the last two years of the Nelsons' accounts;
21 isn't that right?

22 A I testified that I reconciled the cash deposits and
23 withdrawals in the Nelson accounts to available records.

24 Q Okay. Well, you -- we went through yesterday your
25 charts of the last two years where you had bank records to

1 support every withdrawal, right?

2 A Yes. That was my tracing analysis.

3 Q Okay. Now, if we went into earlier periods, you
4 actually didn't have bank records; did you?

5 A What earlier periods? Starting when?

6 Q Well, the account was opened when? Do you remember?
7 1992, right?

8 A Which account?

9 Q Both accounts.

10 A Which both accounts?

11 Q The two -- the 283 and 284.

12 THE COURT: Aren't there -- because there are
13 three accounts, correct?

14 THE WITNESS: Yes.

15 MS. DAVIS CHAITMAN: Yes, you're right.

16 I'm not talking about the 57 account. I'm sorry.
17 I confused you.

18 BY MS. DAVIS CHAITMAN:

19 Q 283 and 284 were both opened in 1992, right?

20 A Yes.

21 Q Okay.

22 A Correct.

23 Q So, let's look at your Exhibit 53 and let's go to your
24 Exhibit 7.

25 A That's in here?

1 Q Yes.

2 MS. DAVIS CHAITMAN: Your Honor, I don't have this
3 to pull up on the screen.

4 THE COURT: That's all right. 53?

5 MS. DAVIS CHAITMAN: Exhibit 53, Exhibit 7 within
6 Exhibit 53. And it's page 35 of the document.

7 (Pause)

8 MS. DAVIS CHAITMAN: Oh, brilliant. Magic. Thank
9 you.

10 So, Roy, now you've done this, can you blow up the
11 top half of the page?

12 (Pause)

13 MS. DAVIS CHAITMAN: Perfect.

14 (Pause)

15 MS. DAVIS CHAITMAN: You have to go -- I need you
16 to go to the right a little bit more. I need this middle
17 box. That's it.

18 THE WITNESS: This is different than Exhibit 53,
19 page 35.

20 MS. DAVIS CHAITMAN: I'm sorry.

21 THE COURT: That's not Exhibit 53.

22 MS. DAVIS CHAITMAN: Oh. Okay.

23 So, you know what? Let's go by what's in the book
24 then, okay?

25 BY MS. DAVIS CHAITMAN:

1 Q So, if I look at the first transaction. This is for
2 account 1Z8284, right?

3 MR. HUNT: Your Honor, I'm a little confused.
4 What exhibit are we looking at?

5 MS. DAVIS CHAITMAN: We are in your Exhibit 53.

6 MR. HUNT: Okay. Thank you.

7 MS. DAVIS CHAITMAN: Sorry.

8 THE COURT: Page 35?

9 MS. DAVIS CHAITMAN: Page 35.

10 Yeah. It's Exhibit 7 of the -- is everybody with
11 me? You're with me?

12 THE WITNESS: Yes.

13 MS. DAVIS CHAITMAN: Okay.

14 BY MS. DAVIS CHAITMAN:

15 Q Okay. So, the first transaction was on
16 December 8th, 1992, right?

17 A Yes.

18 Q Okay. And you didn't have any bank records to verify
19 that transaction; did you?

20 A No.

21 Q And you didn't have any documents that the Trustee had
22 obtained from the third party; did you?

23 A No.

24 Q Okay. So, what were you relying for that?

25 A I reconciled this transaction to a document in the

1 customer file for the 1Z8284 account.

2 Q Well, what document?

3 A It's referenced there, 1A -- I'm sorry, AMF0008167.

4 Q Okay. And that was -- that was a Madoff generated
5 document, right?

6 A No, I don't think so. I don't have it in front of me.
7 But the documents that were in the AMF file were
8 correspondence from the account holder.

9 Q Okay. So, you had a letter from the account holder?

10 Now, for the second transaction dated January 5th,
11 1993, this was a withdrawal or an advance? This was a
12 deposit or a withdrawal?

13 A The January 5th, 1993 transaction?

14 Q Yes.

15 A That was a deposit of five hundred thousand.

16 Q Okay. And, again, you verified that through a letter
17 from the client?

18 A Yes. Well, that was in the customer file --

19 Q Okay.

20 A -- for this account.

21 Q Okay. So, you didn't have a bank record. You didn't
22 have a third party record. But you did have a letter from
23 the Nelsons enclosing the check?

24 A I think that's what this document is.

25 Q Okay.

1 A But I don't have it front of me. So, I'd have to see
2 that document that's referenced AMF ending in 8288.

3 Q Okay.

4 Now, if we go to the third line. It's says CW; is that
5 cash withdrawal?

6 A It is.

7 Q Okay. And, so, here, you didn't have any record from
8 Madoff's accounts, right?

9 A A bank record, no.

10 Q You didn't have a bank record and you didn't have any
11 third party documents. You had something from the customer,
12 right?

13 A Yes.

14 Q And that was a request that she get a withdrawal,
15 right? Ms. Nelson wrote requesting a withdrawal, right?

16 A To confirm that, I would want to look at those
17 documents. But, yes, generally in the AMF file -- I'm
18 sorry, we refer to it as AMF, but the customer file
19 contained correspondence from the account holder.

20 Q Right. And you could not reconcile a document that was
21 not written by the account holder asking for a withdrawal,
22 right?

23 It had to have -- you couldn't get a letter from me
24 saying, please send me a check from Carol Nelson's account,
25 right?

1 A I'm sorry. Can you repeat that?

2 Q You had testified that Madoff kept the clients' letter
3 in a folder, right?

4 A Yes.

5 Q Okay. And when you say you reviewed that folder and
6 that's what you're relying upon for that transaction, you're
7 relying upon a letter, sent by the account holder requesting
8 the withdrawal.

9 A Yeah. I'm hesitating because there was other documents
10 in the customer file that wasn't solely letters from the
11 customer. That was many of the customer files contained
12 those.

13 If I had a copy of this referenced document, I could
14 tell you for sure.

15 Q Okay.

16 A I just -- I don't remember off the top of my head what
17 those documents are.

18 Q What document, other than a letter from the client,
19 would satisfy you that the client had requested the
20 withdrawal?

21 A I can't think of one off the top of my head. Like I
22 said, the majority of the documents in the customer file
23 were --

24 Q Okay.

25 A -- from the client.

1 Q Okay. Well, in the course of me -- okay. In the
2 course of my examination, if you think of any other kind of
3 document that would -- that you would use to reconcile a
4 withdrawal from a customer, let us know.

5 A Okay.

6 Q Okay. So, the only evidence you had there was the
7 request from Carol Nelson, right?

8 A If that's what this document is, then yes.

9 Q Okay. And, then, if we continue going down, every time
10 it says CW, if we go down to April 15th, 1996 -- so, we have
11 -- every CW you have no bank records, no third party
12 documents and you have yes in the customer file, right?

13 A Yes. For all of those transactions --

14 Q Right.

15 A -- that means that I reconciled to a document in the
16 customer file.

17 Q Okay. So, let's assume that Carol Nelson wrote a
18 letter on April 1st, 1994 and said, Dear Bernie, please send
19 me a check for \$25,000.

20 That's the kind of letter that you are referring to
21 that's maintained in the customer file, right?

22 A Requesting a withdrawal?

23 Q Yeah.

24 A Yes.

25 Q Okay. And what would have happened if Carol Nelson

1 called up the next day and said, you know what, Bernie?

2 Forget it. I don't need that money now.

3 You would have no way of knowing if that's what
4 happened because you can't verify that Carol Nelson ever got
5 a check for the amount shown on that line; isn't that true?

6 A Well, there were often times where that did happen and
7 there would be a cancel transaction on the customer
8 statement.

9 Q Okay. But you're not saying that every single time
10 that happened, you observed that there was a notation on the
11 customer's statement; was there?

12 A I'm saying that that happened often where there was a
13 cancelled transaction.

14 Q You're saying the customer's statement showed a
15 cancelled transaction?

16 A Yes.

17 Q So, you're relying on whether or not there was a -- the
18 customer statement says deposits and withdrawals, right?

19 A Yes. It -- I mean, it doesn't say those words.

20 Q Right.

21 A But it has the transactions that indicate --

22 Q Right.

23 A -- a cash deposit or withdrawal.

24 Q But isn't it a fact that what you're talking about is
25 where a check is actually issued and the payment was stopped

1 on the check?

2 A It could have been stopped. It could have just been
3 returned. It could have been cancelled.

4 Q Have you ever seen, in all the work you've done on
5 Madoff, have you ever seen a statement which said, client
6 cancelled request for check?

7 A It didn't say that on the statement. It would say, CNX
8 or cancel check or returned check. It would say that.

9 Q But if the check had not been issued, I'm positing that
10 Carol Nelson requested a check and within 24 hours, she
11 calls up Bernie and says, I don't want that check. Don't
12 bother issuing it.

13 MR. HUNT: All right. This is all assuming facts
14 not --

15 MS. DAVIS CHAITMAN: I'm talking about a
16 situation --

17 MR. HUNT: -- in evidence.

18 THE COURT: Wait, wait, wait. Hold on.

19 MS. DAVIS CHAITMAN: I'm sorry.

20 THE COURT: There's an objection?

21 MR. HUNT: Yeah. There's facts not in evidence.

22 THE COURT: But, you know, she's an expert but it
23 is a hypothetical question.

24 MS. DAVIS CHAITMAN: Well, she's --

25 THE COURT: Is your client going to testify that

1 she ever cancelled the check that appears on that list?

2 MS. DAVIS CHAITMAN: Unfortunately, she's not in a
3 position to testify.

4 (Pause)

5 BY MS. DAVIS CHAITMAN:

6 Q Did you ever, in the work you did for this case, did
7 you ever see any indication, on a statement, where a request
8 for a check was cancelled before the check was issued?

9 A Not on the statement. Not on the customer statement.

10 Q Thank you.

11 (Pause)

12 BY MS. DAVIS CHAITMAN:

13 Q And is it fair to say that with respect to your report,
14 Exhibit 54, that the same thing is true with respect to
15 account number 283? That is, if a request for a check was
16 cancelled before the check was issued, there would be no
17 notation on the statement?

18 A I'm sorry. You're talking about Exhibit 54 now?

19 Q Yes, I am.

20 A What --

21 Q I'm asking you the same question. I -- we can go
22 through it in detail --

23 A But --

24 Q -- but I'm asking you the same question. If, in fact,
25 if we look at Exhibit 7 --

1 A What page is that? I'm sorry.

2 Q That's on page 38 of Exhibit 54, Trustee's 54.

3 A Okay.

4 Q If you see in the -- in the -- there are a number of
5 transactions where checks -- it's indicated CW for cash
6 withdrawal but there's no indication of any third party
7 document and I'm asking you the same question I just asked
8 you.

9 In a situation where a customer cancels a letter
10 request for a withdrawal before the check is actually
11 issued, was there ever any documentary evidence indicating
12 that?

13 A Sometimes there would be a letter in the file or some
14 notation in the customer file.

15 It wouldn't be on the customer statement because it
16 doesn't hit the customer statement until the check is
17 issued.

18 Q Okay. And, with respect to the Nelsons' accounts, do
19 you have specific recollection of seeing such notations?

20 A No.

21 (Pause)

22 MS. DAVIS CHAITMAN: I have no further questions.

23 THE COURT: Redirect?

24 MR. HUNT: Just a couple of questions.

25 REDIRECT EXAMINATION

1 BY MR. HUNT:

2 Q Good afternoon, Mr. Collura.

3 A Hello.

4 Q You were asked a lot of questions about the 509 and 703
5 account just a couple of minutes ago.

6 During the entire time the 509 and the 703 account were
7 used, before and after the name change in September of 2002,
8 was the account number the same?

9 A The account number was the same for the time period
10 that I had records for that account which was the December
11 1998 to December 2008.

12 Q For what period did you have bank records?

13 A That ten year period; December of 1998 to December of
14 2008.

15 Q When you reconciled the bank records to the customer
16 statements, what was the result?

17 A I reconciled over 99 percent of the cash transactions
18 on the customer statements to those bank records.

19 Q As a forensic accountant, how did you use that
20 information to the information for the periods when you did
21 not have bank records?

22 A I assumed that the cash transactions prior to that time
23 period were accurately stated because of the high
24 percentage, the over 99 percent that I did reconcile, when I
25 had records.

1 Q Did you use internal records at BLMIS from the account
2 maintenance files to test that assumption?

3 A For a specific customer accounts, I did, yes.

4 Q And that would be the Nelsons' account, for example?

5 A For example, yes.

6 Q And in each instance that you looked at where there was
7 a withdrawal or deposit, you were able to find some record
8 internally that matched up with what the customer statement
9 said?

10 A For the Nelson accounts, yes.

11 Q And, during the period you had bank records, you
12 verified that with the bank records?

13 A I did. Correct.

14 Q What's your conclusion about the accuracy of the
15 customer statements for the period that the Nelsons'
16 accounts were open?

17 A My conclusion is that the cash transactions, the cash
18 deposits and withdrawals, on those customer statements were
19 accurately reported.

20 MR. HUNT: No further questions.

21 THE COURT: Thank you. You can step down.

22 Call your next witness.

23 MR. HUNT: Your Honor, I would just say at this
24 time we have offered Ms. Collura; she's reconciled all of
25 the accounts, she's traced the accounts in a two-year

1 period. I would ask if the defendants would stipulate to
2 the accuracy of exhibit B's. If we can do that, we can skip
3 Mr. Greenblatt; if not, we'll put him on to do his principal
4 balance calculation.

5 MS. DAVIS CHAITMAN: I can't do that for the
6 transactions where there's no evidence.

7 MR. HUNT: Okay.

8 THE COURT: Did you send notices to admit on these
9 issues?

10 MR. HUNT: Notices to admit, no -- on what issues,
11 I'm sorry?

12 THE COURT: On the deposits and withdrawals?

13 MR. HUNT: We tried to reach a stipulation --

14 THE COURT: But did you send requests for
15 admission?

16 MR. HUNT: Yes, and they said they couldn't do
17 that.

18 THE COURT: All right.

19 MR. HUNT: So my colleague Mr. Shifrin will call
20 Mr. Greenblatt.

21 THE COURT: Okay. Would you raise your right
22 hand, please?

23 MATTHEW GREENBLATT, WITNESS, SWORN

24 THE COURT: Okay, please take a seat, and speak
25 into the microphone.

1 MR. SHIFRIN: Good afternoon, Your Honor.

2 THE COURT: Good afternoon.

3 MR. SHIFRIN: Max Shifrin on behalf of the
4 Trustee. Before I begin, unless Ms. Chaitman has any
5 objections, we suggest that we qualify Mr. Greenblatt as an
6 expert in forensic accounting just as we did with Ms.
7 Collura. It will streamline the direct testimony and he's
8 been qualified before.

9 THE COURT: Any objection?

10 MS. DAVIS CHAITMAN: No objection.

11 THE COURT: Okay, he's qualified as a forensic
12 accountant.

13 DIRECT EXAMINATION

14 BY MR. SHIFRIN:

15 Q Mr. Greenblatt, good afternoon.

16 A Good morning.

17 Q Please introduce yourself to the Court.

18 A My name is Matthew Greenblatt, I'm a senior managing
19 director at FTI Consulting in the forensic and litigation
20 consulting division.

21 Q When did FTI become involved in this matter?

22 A We were retained in December of 2008.

23 Q And what was FTI's role in the Madoff case?

24 A We were retained to assist the Trustee with the
25 reconstruction of the books and records, and to assist

1 counsel with the calculation of all of the principal balance
2 -- principal balance amounts in all of the customer
3 accounts.

4 Q And how long have you been involved, sir?

5 A Since December of 2008.

6 Q Can you describe your role, please, for the Court?

7 A So I was tasked with working with a team of FTI
8 professionals specifically for the reconstruction of the
9 debtor's books and records, the books and records that were
10 secured by the Trustee when he took control in December of
11 2008, and accumulating all of the cash and principal
12 transactions that were reported on the debtor's books and
13 records in order to calculate a cash-in-cash-out principal
14 balance.

15 Q As a forensic accountant, what sort of records do you
16 typically review in connection with your investigations?

17 A A forensic accountant is usually involved in looking at
18 financial transactions of any nature, usually in the context
19 of allegations of a fraud. Those financial records could be
20 financial statements, they could be general ledgers, they
21 could be customer statements, bank statements; all types of
22 financial information.

23 Q And did you do that for this matter?

24 A I did, yes.

25 Q Did you have access to all the information you needed

1 to reach your conclusions?

2 A I did, yes.

3 Q Did you provide a list of documents and pieces of media
4 that you reviewed in connection with your analysis?

5 A Yes, they're included in my report.

6 Q And did you review all of those documents and pieces of
7 media yourself?

8 A Personally myself, no. I worked with a team of people
9 under my supervision and collectively we had reviewed all of
10 those.

11 Q Okay. Let's talk about your reports. How many expert
12 reports have you issued in these Nelson cases?

13 A In this Nelson matter, I've issued a total of three.

14 Q Describe those reports, if you will.

15 A So the first was what I often refer to as my global
16 report, which was the principal balance calculation
17 methodology report. It was the report that outlined the
18 cash-in-cash-out methodology that was employed, talked about
19 the debtor's books and records that were relied upon, and
20 how the principal balance calculation was performed for all
21 of the 8,000-plus Madoff accounts, three of which included
22 the Nelson accounts. The second and third reports were for
23 the three Nelson accounts specifically at issue in this case
24 and the principal balance for those.

25 Q Are Trustee's Exhibits 71, 72, and 73 copies of your

1 reports? And those are located in the binder 4.

2 (Pause)

3 A Yes, Exhibit 71 is the global report, and 72 and 73 are
4 the Nelson account-specific reports.

5 Q Did you reach any conclusions regarding the principal
6 balance calculations for the three Nelson-related accounts?

7 A I did, yes.

8 Q Okay, let's briefly summarize those findings. What did
9 you conclude with account 1ZA-284 specifically?

10 A With account 1ZA-284, I concluded that the
11 accountholder withdrew funds in excess of principal
12 available in the two-year period prior to the bankruptcy in
13 the amount of \$2,610,000.

14 Q What did you conclude with respect to account 1ZA-283?

15 A In account 1ZA-283, my conclusion was that the
16 accountholder withdrew funds in excess of principal
17 available in the two-year period prior to the bankruptcy in
18 the amount of \$255,000.

19 Q And what did you conclude with respect to account
20 number 1ZR-265?

21 A In account 1ZR-265, I reached the conclusion that the
22 accountholder had withdrawn funds in excess of principal
23 available during the two-year period in the amount of
24 \$200,077.

25 Q Did you rely on your forensic accounting skills to

1 reach these conclusions?

2 A I did, yes.

3 Q Can the results of your analysis be replicated by
4 someone with the same education, training, and expertise?

5 A I believe so, yes.

6 Q Is the method you used generally accepted in your
7 profession?

8 A Yes, it is.

9 Q And is your conclusion based on this methodology?

10 A It is.

11 Q Okay, let's talk about your three reports in greater
12 detail. We'll start with the global principal balance
13 calculation. How do you calculate the, quote, "principal
14 balance"?

15 A The principal balance calculation is essentially cash
16 in and cash out. So it takes into account all of the
17 customer deposits as additions to principal and all of the
18 customer withdrawals or inter-account transfers as principal
19 out.

20 Q And how are the principal balance calculations then
21 used in this liquidation?

22 A The Trustee and his counsel have used -- has used the
23 principal balance calculations at all points in time for
24 both assisting in determining claims, as well as assessing
25 causes of action and avoidance actions in bankruptcy court.

1 Q What sort of transactions do you consider in your
2 analysis?

3 A So the typical inflows, additions to principal, are the
4 cash deposits. In the Nelson case specifically, all of the
5 inflows are customer cash deposits. In other accounts not
6 in -- not relevant in this particular proceeding, there are
7 additional sources of principal such as inter-account
8 transfers from other accounts for which principal is moved
9 from one account to another, but for these accounts it is
10 the cash deposits.

11 Q And what about documents, what sort of records do you
12 consider or rely on to conduct this analysis?

13 A So I have relied on the debtor's books and records, and
14 specifically the monthly customer statements.

15 Q Why the customer statements?

16 A The customer statements are the most comprehensive and
17 complete of the debtor's books and records with respect to
18 transaction-by-transaction line item detail of the cash and
19 principal transactions, those are the statements that
20 contain the information such as a transaction date,
21 transaction amount, transaction descriptions, and
22 transaction codes. It is also the document that is printed
23 and shared with the customer. So the customer has the
24 opportunity to raise an objection if they have made a
25 deposit that doesn't show up on their customer statement or

1 if the withdrawal that they made is reported at the
2 incorrect amount, they have the opportunity to raise that
3 objection. So, for purposes of identifying cash and
4 principal transactions, it was the best and most
5 comprehensive document.

6 Q What period of time does your principal balance
7 calculation cover?

8 A In the global report, the principal balance calculation
9 covers the period from April 1st, 1981 through December
10 11th, 2008, but for the -- generally speaking, for the
11 Nelson accounts, it's from the account opening, which was
12 December of 1992, through December 11th of 2008.

13 Q Okay. So, generally speaking, the time period that you
14 conduct the analysis was 27 years?

15 A Yes.

16 Q And why did you choose that period specifically?

17 A That was the full length of time for which we had the
18 information available to us in order to perform the
19 principal balance calculation.

20 Q When were the -- just to remind the Court, when were
21 the defendants' accounts opened in these cases?

22 A Two of the three accounts were opened in December of
23 1992 and the third was August of 1996.

24 Q So did you have all of the customer statements
25 necessary to conduct this analysis?

1 A Yes. For the three Nelson accounts, I had every
2 monthly customer statement.

3 Q How exactly did you use the customer statements to
4 conduct the principal balance calculation for the Nelson
5 accounts?

6 A So, as I mentioned, the customer statements contained
7 information such as the transaction date, transaction
8 description, a transaction code, and the transaction amount.
9 And so, based on that information, I was able to identify
10 all of the cash and principal transactions, being the
11 deposits and the withdrawals, identify them all, put them in
12 chronological order, and quantify the principal balance
13 essentially every day from the account opening through to
14 December 11th, 2008.

15 Q How did BLMIS maintain the customer statements?

16 A So the customer statement data was maintained in the
17 debtor's books and records in two different forms over the
18 years. For the period from December 1995 through November
19 of 2008, they were all available in electronic form on the
20 electronic servers at BLMIS; for the periods prior to
21 December of 1995, they were available on microfilm.

22 Q Okay.

23 MR. SHIFRIN: Let's pull up Trustee's Exhibits 193
24 and 192, please?

25 (Pause)

1 BY MR. SHIFRIN:

2 Q Do you recognize these documents, Mr. Greenblatt?

3 A Yes.

4 Q And what are they exactly?

5 A The document on the top, as you can see from the
6 callout, is the customer statement from the electronic
7 server for account 1ZA-284 for the month of January 2007,
8 and the document on the bottom is that same customer
9 statement data printed out with the BLMIS letterhead over to
10 the top of it, printed out, mailed to the customer, and this
11 one is the one that was produced back to the Trustee by the
12 defendants' accountants.

13 Q Okay. And just to be clear, that's for account number
14 1ZA-284?

15 A Correct, they both are 1ZA-284 for the month of January
16 2007.

17 Q All right.

18 MR. SHIFRIN: Let's turn to Trustee's Exhibits 114
19 and 112, please?

20 BY MR. SHIFRIN:

21 Q Do you recognize these documents?

22 A Right. I think it's easier if we take the callout
23 boxes away momentarily just to -- and then put them back in.

24 (Pause)

25 A Yeah. So the document on top -- okay -- well, I just

1 wanted to see the Bates reference on the bottom one, so you
2 can put the callout boxes back in.

3 The document on top is the electronically stored
4 customer statement for the 1ZA-283 account for the month of
5 September 2007 that was stored electronically by BLMIS. The
6 document on the bottom is the printout of that, again with
7 the BLMIS letterhead placed over that same data, same
8 statement for the month of September 2007 for 1ZA-283,
9 that's the one that is printed, mailed to customers and, in
10 this case, this is the one that was produced back to the
11 Trustee by the defendants' accountants.

12 Q And just to be clear, Mr. Greenblatt, the substantive
13 information on both account statements, how do they compare?

14 A They're the same document -- they're the same --
15 they're the same data. I can't call them the same document
16 because one prints with the letterhead.

17 MR. SHIFRIN: Let's pull up Trustee's Exhibit 182
18 and 180, please?

19 THE WITNESS: Okay.

20 BY MR. SHIFRIN:

21 Q Do you recognize these documents?

22 A I do.

23 Q What are they?

24 A The document on the top is the monthly customer
25 statement that was stored electronically by BLMIS for

1 account 1ZR-265 for the month of December 2007, and the one
2 on the bottom is that same December 2007 customer statement
3 for 1ZR-265, simply adding the letterhead as it was printed,
4 mailed to the customer, and produced back to the Trustee by
5 the defendants' accountants.

6 Q And, again, is the substantive information reflected on
7 both statements the same?

8 A It's the same.

9 Q Okay. Are the records you just discussed the types of
10 records you -- that forensic accountants typically rely
11 upon?

12 A Yes.

13 Q Did you consider any of the purported trading activity
14 reflected on these statements?

15 A Not for purposes of the principal balance calculation,
16 no; it's outside the scope of the methodology.

17 Q Let's turn to the Nelson-specific report for account
18 number 1ZA-284.

19 MR. SHIFRIN: And if we could pull up Trustee's
20 Exhibit 77, please?

21 BY MR. SHIFRIN:

22 Q Can you identify this document, sir?

23 A Yes, this is the principal balance calculation for
24 account 1ZA-284.

25 Q So, starting from the left, can you walk the Court

1 through what each of these columns mean?

2 A Sure. Columns -- as it's highlighted here, columns 1,
3 2, and 3 in this document are the information as it's
4 maintained and identified from the customer statement
5 itself. So, as I mentioned before, the customer statements
6 have the transaction date, transaction description, and
7 transaction amounts reported on them. So these are the
8 exact information that's contained on the customer
9 statements. So by going through and identifying all of the
10 cash and principal transactions from the customer
11 statements, as I testified before, we created this
12 chronological listing. So columns 1, 2, and 3 represent the
13 information on the customer statements.

14 Then that column 3 is then carried over into the
15 remaining columns, if you can -- there we go. So columns 4
16 through 7 are how I categorized the amounts in the principal
17 transactions that were reported on the customer statements,
18 deposits are all captured in column 4 and represent
19 additions to principal, all of the withdrawals are in column
20 5 and reductions to principal. And, as I mentioned before,
21 the Nelson accounts didn't have any inter-account transfer
22 activity, but that's where inter-account transfer activity
23 would be reflected in columns 6 and 7.

24 So all of the activity in column 3 is broken up into
25 columns 4 through 7, and column 8 is the calculation, that's

1 the running balance of principal, adding for deposits and
2 deducting for withdrawals.

3 And then the balance of the schedule, columns 9 through
4 12, column 9 is a column that just captures the amounts of
5 withdrawals during the two-year period for purposes of this
6 proceeding; and then columns 10 and 11 are the individual
7 debtor's books and records, those are the Bates references
8 for the customer statements themselves that are -- that were
9 identified to have -- the monthly customer statements where
10 the individual cash and deposit and withdrawal transactions
11 were captured; and then column 12 is the third party
12 document that was produced back to the Trustee by the
13 defendants' accountants for the same monthly customer
14 statements.

15 Q Did you reach a conclusion as to the principal balance
16 calculation of the 248 account?

17 A I did.

18 Q And what was that conclusion, sir?

19 A I did. As you can see from -- this is page 2 of 2 of
20 the document, but as you can see, in total, after all of the
21 deposits and withdrawals in this account, in total over the
22 life of the account, account 1ZA-284 had withdrawals in
23 excess of principal in a total amount of \$6,405,000; and
24 during the two-year period, of that 6,405,000, \$2,610,000
25 was withdrawn during the two-year period in excess of

1 principal available.

2 Q And just to be clear, Mr. Greenblatt, does Trustee's
3 Exhibit 77 reference the source documents you used to create
4 this summary?

5 A It does. That was in columns 10 and 11 that had the
6 individual Bates references for the customer statements
7 themselves.

8 Q Are you confident in the results of the analysis
9 reflected in Trustee's Exhibit 77 to a reasonable degree of
10 accounting certainty?

11 A I am.

12 Q And is Trustee's Exhibit 77 a fair and accurate summary
13 of the relevant information that was pulled from the BLMIS
14 customer statements belonging to the accountholder for 1ZA-
15 284?

16 A Yes.

17 MR. SHIFRIN: Let's turn to account 1ZA-283 and
18 pull up Trustee's Exhibit 76, please?

19 BY MR. SHIFRIN:

20 Q Can you identify this document?

21 A Yes, this is the principal balance calculation for 1ZA-
22 283.

23 Q Do the columns in this document have the same meaning
24 that they had in Trustee's Exhibit 77?

25 A Yes, they do.

1 Q Did you reach a conclusion as to the principal balance
2 of the 1ZA-283 account?

3 A I did.

4 Q Is it reflected in this exhibit, sir?

5 A It is. At the end of -- the sum of columns -- or the
6 end result of column 8 and column 9 show that in total, over
7 the life of the account, there was a total of \$1.7 million
8 withdrawn in excess of principal and, of that amount,
9 \$255,000 was withdrawn during the two-year period.

10 Q And as with Trustee's Exhibit 77, does Trustee's
11 Exhibit 76 reflect the source documents considered in
12 creating this summary?

13 A It does. Columns 10 and 11 again reflect the Bates
14 references for the relevant monthly customer statements.

15 Q Are you confident in the results of your analysis
16 reflected in Trustee's Exhibit 77 -- 76, excuse me, to a
17 reasonable degree of accounting certainty?

18 A Yes.

19 Q And is Trustee's Exhibit 76 a fair and accurate summary
20 of the relevant information from the BLMIS customer
21 statements for the 283 account?

22 A Yes.

23 MR. SHIFRIN: Let's turn to account number 1ZR-265
24 and pull up Trustee's Exhibit 78, please?

25 BY MR. SHIFRIN:

1 Q What is this document, Mr. Greenblatt?

2 A This is now the principal balance calculation for that
3 account, 1ZR-265.

4 Q Do the columns mean the same thing they meant in the
5 previous two exhibits?

6 A Yes.

7 Q And did you reach a conclusion as to the principal
8 balance for the 265 account?

9 A Yes.

10 Q What did you conclude?

11 A So in total, in account 1ZR-265, the account over the
12 life of the account had withdrawn 401,748 more than it had
13 deposited and, of those withdrawals, \$200,077 was withdrawn
14 in excess of principal available during the two-year period.

15 Q And as with the previous two exhibits, does Trustee's
16 Exhibit 78 reference the source documents considered in your
17 analysis?

18 A Yes, columns 10 and 11 again.

19 Q Are you confident in the results of the analysis
20 reflected on Trustee's Exhibit 78 to a reasonable degree of
21 accounting certainty?

22 A Yes.

23 Q And is Trustee's Exhibit 78 a fair and accurate summary
24 of relevant information from the BLMIS customer statement
25 for the 265 account?

1 A It is.

2 Q Statements, plural?

3 A It is.

4 Q Okay. So just to summarize your testimony today, Mr.
5 Greenblatt, can you identify the withdrawals exceeding
6 principal in the two-year period for each of three Nelson-
7 related accounts, sir?

8 A Yes. For account 1ZA-284, I concluded that the
9 accountholder withdrew \$2,610,000 in excess of principal
10 during the two-year period; for account 1ZA-283, the amount
11 withdrawn during that two-year period in excess of principal
12 was 255,000; and for account 1ZR-265, the accountholder
13 withdrew \$200,077 in excess of principal during that two-
14 year period. So, in total, the three were just under \$3.1
15 million during the two-year period.

16 Q Thank you, sir.

17 MR. SHIFRIN: I have nothing further.

18 THE COURT: Cross-examination?

19 MS. DAVIS CHAITMAN: No questions.

20 THE COURT: You can step down. Thank you.

21 Does the Trustee have any further witnesses?

22 MR. HUNT: Your Honor, you'll be happy to know
23 that the Trustee does not have any further witnesses.

24 THE COURT: Ms. Chaitman, do you have any
25 witnesses?

1 MS. DAVIS CHAITMAN: I have no witnesses, Your
2 Honor.

3 THE COURT: All right. Both sides rest?

4 MR. HUNT: We rest, Your Honor.

5 THE COURT: All right. I think it makes sense to
6 simply schedule post-trial findings and conclusions.
7 Just --

8 MR. HUNT: I agree.

9 THE COURT: -- a couple of style points on those
10 and reflecting on what I got after the PW proceeding, this
11 is for both parties. If you're going to cite the
12 transcripts, cite to the page and the line in the
13 transcript. The Trustee in particular was just citing the
14 pages, was my recollection, and I had to read the entire
15 page to find out what you were doing. If you're citing to
16 multi-page exhibits, I would appreciate if you would cite to
17 the page in the exhibit that you want me to look at.

18 Please avoid long string cites of references. One
19 of the problems I had with the PW is I would have a long
20 paragraph with really several findings in them and then at
21 the end of the paragraph there would be a string cite of
22 references, and I'd have to match the reference to the
23 finding. You can use short -- short declarative sentences
24 are the best, by the way --

25 MR. HUNT: Yes, sir, we'll be Ernest Hemingway in

1 this.

2 THE COURT: Yeah, fine. He can be your model, he
3 was well known for his findings and conclusions. So, to the
4 extent you could do that, I would appreciate it.

5 How much time does the Trustee need to submit his
6 proposed findings?

7 MR. HUNT: So my proposal would be, Your Honor,
8 that we exchange objections to --

9 THE COURT: Oh, we have to deal with the
10 objections also, I forgot.

11 MR. HUNT: Yeah. I was thinking two weeks to
12 exchange objections and then proposed findings of facts
13 about a month after that for us. So, specifically, two
14 weeks to exchange objections, by May -- sorry -- May 17th --
15 no, May 31st.

16 THE COURT: Does that work for you, Ms. Chaitman?

17 MS. DAVIS CHAITMAN: It isn't for this reason,
18 Your Honor. As you --

19 MR. HUNT: So the parties exchange exhibit lists
20 May 17th, identifying the Bates numbers and pages that they
21 want to rely on.

22 THE COURT: I also need designations.

23 MS. DAVIS CHAITMAN: Yeah.

24 MS. DAVIS CHAITMAN: Can I just ask for this, Your
25 Honor. I am booked solid until the end of May, because I'm

1 taking all those traders' depositions and, you know, I had a
2 trial, a jury trial two weeks ago and then I had this trial.
3 I just need to be able to use May to complete these traders'
4 depositions.

5 THE COURT: What schedule do you propose?

6 MS. DAVIS CHAITMAN: Well, I would say we should
7 -- by say June 15th we can exchange lists of exhibits and
8 then, by June 30th, we can exchange objections to each
9 other's exhibits. And then I would ask again, if the Court
10 would be kind enough given my planned summer vacations --

11 THE COURT: That's a lot of summers.

12 MS. DAVIS CHAITMAN: Pardon?

13 THE COURT: We've been going through this for a
14 lot of summers, that's --

15 MS. DAVIS CHAITMAN: I know, but that's -- I do
16 take a vacation every summer.

17 MR. HUNT: I haven't had a single one.

18 MS. DAVIS CHAITMAN: It's just been a lot of
19 summers. Could we have until August 20th to submit the
20 post-trial briefs?

21 THE COURT: Well, I'd prefer to get it from the
22 Trustee first and then you can respond --

23 MS. DAVIS CHAITMAN: And then -- okay.

24 THE COURT: -- that makes more sense.

25 MS. DAVIS CHAITMAN: Okay, so then --

1 THE COURT: Then if I want a reply, I'll ask the
2 Trustee.

3 MS. DAVIS CHAITMAN: Okay.

4 MR. HUNT: So how about --

5 THE COURT: But one thing you left out of that, of
6 course I need deposition or, I guess, trial transcript
7 designations, again by line. The best way to do it, if you
8 can do it, is, you know, one party can offer -- I think we
9 did this before where you highlight in different colors and
10 then you just have the objections highlighted in a different
11 color, if that makes sense. If there aren't too many
12 designations, then you could just designate and I can read
13 it.

14 MS. DAVIS CHAITMAN: There are a fair number, so
15 maybe we ought to organize.

16 THE COURT: All right. Well, why don't you do
17 that at the same time that you're doing these exhibit --

18 MS. DAVIS CHAITMAN: Okay.

19 THE COURT: -- lists, because those are separate.
20 So that --

21 MS. DAVIS CHAITMAN: Okay.

22 THE COURT: -- you can exchange -- why don't we do
23 this -- exchange your exhibit lists on June 15th and
24 exchange your deposition designations at the same time? And
25 when I say deposition, I include any trial transcript, and

1 then June 30th, objections to exhibits and any objections or
2 cross-designations in the transcripts. I'll ask you to
3 embody this in a letter or an order so we don't lose track
4 of it.

5 MR. HUNT: So based on her vacation schedule --

6 THE COURT: Well, I'm just thinking whether the
7 objections should be resolved before, you know, the findings
8 of fact and conclusions -- well, my experience has been that
9 the depositions and the designations don't really make that
10 much of a difference in these cases, there's usually other
11 evidence; they may in this case, because Madoff didn't
12 testify, I recognize, personally.

13 MS. DAVIS CHAITMAN: And also with respect to
14 (indiscernible) Pitts' criminal trial testimony. I mean,
15 I've designated portions of it, the Trustee has --

16 THE COURT: Well, it's the same thing.

17 MS. DAVIS CHAITMAN: Yeah. Maybe it would be
18 helpful --

19 THE COURT: With the criminal trial testimony you
20 have the added issue of whether or not, you know, the other
21 party had the incentive to cross-examine --

22 MS. DAVIS CHAITMAN: Exactly.

23 THE COURT: -- to the same extent or had the
24 incentive to cross-examine.

25 MS. DAVIS CHAITMAN: On the same issue.

1 THE COURT: On the same issue. And I guess you
2 can object in the designations and then explain in some sort
3 of post-trial briefing -- or you can do it at the time of
4 the designations, if you want -- why that testimony should
5 or should not be considered.

6 MR. HUNT: I think we should go ahead and explain
7 during the objections what they are --

8 THE COURT: Okay.

9 MR. HUNT: -- so that the parties agree.

10 THE COURT: All right. Then I need a response to
11 -- I guess I need a response, because if you say, you know,
12 there was no incentive to cross-examine, the other person is
13 going to come back and say there was, and it's going to work
14 both ways.

15 MS. DAVIS CHAITMAN: Okay. So June 30th I'm going
16 to get the Trustee's objections to exhibits -- oh, wait, I'm
17 sorry --

18 THE COURT: No, June 15th you're going to exchange
19 -- exchange objections --

20 MS. DAVIS CHAITMAN: Right.

21 THE COURT: -- to exhibits.

22 MS. DAVIS CHAITMAN: So you're saying --

23 MR. HUNT: We're going to exchange exhibits --

24 THE COURT: Exhibit lists, right.

25 MR. HUNT: Yes, sir. And then June 30th we'll --

1 THE COURT: Oh, and please put those on a separate
2 disk and separately identified when you send them in -- not
3 all the exhibits, just the ones you're relying on, as you
4 did the last time. It's much easier to work with an
5 electronic disk.

6 June 30th, objections -- oh, and June 15th, so
7 it's the exhibit lists and the designations.

8 MR. HUNT: Correct.

9 THE COURT: June 30th, it's the objections to the
10 exhibits and objections to the designations and cross-
11 designations.

12 MR. HUNT: Yes, sir.

13 THE COURT: And then we have basically -- no, then
14 it's up to you to file the post -- first --

15 MR. HUNT: So if we file our --

16 THE COURT: -- do you --

17 MR. HUNT: -- if we file our brief on findings of
18 fact and conclusions of law by July 30th, then she can file
19 her response by August 30th.

20 THE COURT: Okay.

21 MS. DAVIS CHAITMAN: I can do that.

22 THE COURT: All right. I mean, you know, to me
23 the two driving issues that have been raised are whether or
24 not it was actually a transfer of the LLC -- or it was a
25 transfer by LLC -- it's always the customer property, I

1 guess -- but whether it was a transfer by LLC and this issue
2 about how you deal with -- and this is really more of a
3 legal issue, I guess -- it just seems to me that the IA
4 business wasn't doing any trading, that's my initial
5 reaction, the proprietary trading side of the business was
6 doing trading, and how that affects the determination
7 whether Madoff -- well, whether BLMIS was a Ponzi scheme or
8 not, or whether you just look at, you know, the IA business
9 separately from the basically two different businesses.

10 So those are kind of the two questions I think
11 that have arisen. I know you took issue, Ms. Chaitman --
12 actually, with the former, I did notice that the custodian
13 said that the account was a BLMIS LCC account, the JPMorgan
14 custodian was in -- I guess anybody could put whatever they
15 want on a check, you know.

16 MS. DAVIS CHAITMAN: Well, actually, we have not
17 seen -- and in fact I have an email from Mr. Shifrin
18 acknowledging that they have not seen any document changing
19 the name of the 703 account.

20 THE COURT: I know, but JPMorgan's custodian said
21 that the accounts were held in the name of BLMIS LCC -- LLC.

22 MS. DAVIS CHAITMAN: LLC.

23 THE COURT: She can make that argument, but I just
24 --

25 MS. DAVIS CHAITMAN: Right.

1 THE COURT: -- that one doesn't convince me. I
2 think a more interesting argument concerns if you have a
3 part of the business conducting an ostensible legitimate
4 business, how that affects the determination of whether it's
5 a Ponzi scheme, and whether they really need the Ponzi
6 scheme presumption, whether they've just proven that all of
7 the transfers made to the IA customers were in fraud of
8 creditors, because the debtor was always insolvent and --

9 MS. DAVIS CHAITMAN: Well, I think what the
10 evidence shows, Your Honor, is that the transfers were made
11 by Madoff personally, not by the LLC.

12 THE COURT: I'm not sure I agree with you, but I
13 understand your argument.

14 MS. DAVIS CHAITMAN: And, if that's true, then
15 based on your own decisions the Trustee would not have
16 standing to assert these claims.

17 THE COURT: I understand the argument. I'm not
18 sure I'm convinced by that, just because the name appears on
19 a check in a certain way.

20 MS. DAVIS CHAITMAN: It's not just the check.
21 There's no letter -- in 2001, when the LLC was formed, there
22 were a series of letters sent to all the institutions that
23 the legitimate trading business did business with, Bank of
24 New York, its bank, the OCC, all of the -- the NSCC, but
25 nothing was sent to JPMorgan Chase. The checks were always

1 endorsed by Madoff, that trade name has been in existence
2 since 1991 --

3 THE COURT: That may be JPMorgan's problem that
4 they were letting Madoff endorse the checks individually,
5 because none of the checks were made out to Madoff, they
6 were all --

7 MS. DAVIS CHAITMAN: They were all --

8 THE COURT: -- Bernard Madoff Securities.

9 MS. DAVIS CHAITMAN: -- Madoff Securities, which
10 was a trade name that he had used since 1991.

11 THE COURT: So what if the account statements have
12 LLC on them?

13 MS. DAVIS CHAITMAN: They didn't. The --

14 THE COURT: Yes, they did.

15 MS. DAVIS CHAITMAN: No, the JPMorgan Chase --

16 THE COURT: Not the bank account statements, the
17 BLMIS statements.

18 MS. DAVIS CHAITMAN: The BLMIS statements may have
19 done that. I have no idea why that was done, but the bank
20 statements, the money in the accounts was all in the name of
21 Madoff or his trade name.

22 THE COURT: Well, that's what you say, I know the
23 argument. I'll read it when you write it, but I have my
24 questions about that, particularly in light of the custodial
25 affidavits.

1 MS. DAVIS CHAITMAN: You know, I don't --

2 THE COURT: Okay.

3 MS. DAVIS CHAITMAN: -- it's not the first time in
4 the world the custodian was careless. I mean, we --

5 THE COURT: That's all I have.

6 MS. DAVIS CHAITMAN: -- we have 20 -- yeah, but
7 we've got 20 years of evidence that every single check was
8 made payable to Madoff or to Madoff Securities and endorsed
9 by Madoff.

10 THE COURT: It was endorsed by Madoff.

11 MS. DAVIS CHAITMAN: Right.

12 THE COURT: Again, that may be JPMorgan's issue.

13 All right, so just if you could embody that in a
14 consensual order or just a letter or something, so we have a
15 sense of the time frame.

16 MR. HUNT: Absolutely, Your Honor. Thank you.

17 THE COURT: Okay?

18 MS. DAVIS CHAITMAN: Okay.

19 MR. HUNT: Thank you for your time, we appreciate
20 it.

21 MS. DAVIS CHAITMAN: Thank you so much.

22 THE COURT: All right, thank you. In the findings
23 and conclusions, less is more.

24 MR. HUNT: I hear you.

25 MS. DAVIS CHAITMAN: I'm sorry, I didn't --

1 THE COURT: I said, in the findings and
2 conclusions, less is more. Thank you very much.

3 (Whereupon, these proceedings were concluded at 3:18
4 p.m.)

5 * * * * *

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

I N D E X

T E S T I M O N Y

PLAINTIFFS'

WITNESS

EXAM BY

PAGE

Lisa Collura

Ms. Davis Chaitman

7

Mr. Hunt

44

Matthew Greenblatt

Mr. Shifrin

47

C E R T I F I C A T I O N

I, Pamela A. Skaw, certify that the foregoing transcript is
a true and accurate record of the proceedings.

Pamela A
Skaw

Digitally signed by Pamela A Skaw
DN: cn=Pamela A Skaw, o, ou,
email=digital1@veritext.com, c=US
Date: 2019.05.13 16:39:55 -04'00'

Pamela A. Skaw

Tracey
Williams

Digitally signed by Tracey Williams
DN: cn=Tracey Williams, o, ou,
email=digital1@veritext.com, c=US
Date: 2019.05.13 16:40:28 -04'00'

Tracey Williams

Date: May 13, 2019

Veritext Legal Solutions

330 Old Country Road

Suite 300

Mineola, NY 11501

1	1993 36:11,13 1994 39:18 1995 54:18,21 1996 39:10 53:23 1998 44:11,13 1999 19:18 20:3,9 1a 36:3 1st 22:15 31:7 39:18 53:9 1z8284 35:2 36:1 1za 50:9,10,14,15 55:7,14,15 56:4,8 57:18,24 59:22 60:14,17,21 61:2 63:8,10 1zr 50:20,21 57:1 57:3 61:23 62:3 62:11 63:12	2007 8:12 16:20 16:21 25:12 55:7 55:16 56:5,8 57:1 57:2 2008 25:23 26:4 28:16 29:8 44:11 44:14 47:22 48:5 48:11 53:10,12 54:14,19 2009 12:19 2019 1:23 77:13 20th 11:15 66:19 22nd 22:13 24 41:10 248 59:16 25,000 39:19 255,000 50:18 61:9 63:12 25th 23:20 26 26:4 265 50:20,21 57:1 57:3 61:23 62:3,8 62:11,25 63:12 26th 21:19 27 53:14 27th 20:9 21:21 283 33:11,19 42:15 50:14,15 56:4,8 60:17,22 61:2,21 63:10 284 33:11,19 50:9 50:10 55:7,14,15 57:18,24 59:22 60:15 63:8 29th 16:12 19:18 2:00 1:24 2nd 8:12	70:6,9,18,19 31 14:12 15:3,15 16:21 31st 15:23 65:15 330 77:20 35 34:6,19 35:8,9 38 43:2 3rd 10:18
1 14:1 21:10,12 30:2 58:2,12 1.7 61:7 10 59:6 60:5 61:13 62:18 10-04377 1:6 3:1 3:5 10-04658 1:14 10004-1408 1:22 10022 4:18 10111 4:5 10th 22:21 11 14:20 59:6 60:5 61:13 62:18 11/22/99 20:22 112 55:19 114 55:18 11501 77:22 11th 22:19 53:10 53:12 54:14 12 59:4,11 12th 21:23 13 77:13 14th 28:8 15th 27:3 29:8 39:10 66:7 67:23 69:18 70:6 16th 11:15 17 18:23 17th 18:16 22:9 65:14,20 180 56:18 182 56:17 18th 9:12 192 54:24 193 54:23 1981 53:9 1991 18:23 19:1 25:3 73:2,10 1992 33:7,19 35:16 53:12,23	2 2 58:3,12 59:19,19 2,610,000 50:13 59:24 63:9 20 74:6,7 200,077 50:24 62:13 63:13 2000 14:1 21:10 21:12,19,21 2001 14:12,19 21:23,25 22:2,4,9 22:11,13,15,19 30:2 31:7 72:21 2002 15:3 18:1 22:21 27:3 29:3 44:7 2003 15:15 27:9 28:8 2004 15:23 2005 10:5,8,11,18 11:15,15 16:5 23:5,11,20 2006 9:12 16:12 24:16,20	4 4 50:1 58:15,18,25 4/12/2000 21:6 401,748 62:12 44 76:6 45 4:4 465 4:17 47 76:8	
	3 3 58:3,12,14,24 3.1 63:14 300 77:21 30th 16:5 66:8 68:1 69:15,25	5 5 58:20 509 7:22,25 8:14 9:13,16 10:1,7,12 10:19 11:16 12:6 12:9 13:10,17 17:20,22,25 18:3 19:23 20:7,11,25 21:3 22:24 23:23 24:23 31:18 44:4 44:6 53 33:23 34:4,5,6 34:18,21 35:5 54 42:14,18 43:2,2 57 33:16 5th 10:5,8 36:10 36:13	
		6 6 58:23 6,405,000 59:23 59:24	
		7 7 22:11 33:24 34:5 35:10 42:25 58:16 58:23,25 76:5	

7/29/99 20:13 703 14:1,13 15:3 16:5 27:24 31:18 44:4,6 71:19 71 49:25 50:3 72 49:25 50:3 73 49:25 50:3 74945 12:2 76 60:18 61:11,16 61:19 77 57:20 60:3,9,12 60:24 61:10,16 78 61:24 62:16,20 62:23 7th 21:25 22:2	17:25 18:3,11 19:17,19,23 20:7 20:11,25 21:3,7 21:13 23:21 24:21 24:23 25:6 27:24 29:4 31:18 32:13 32:15 33:6,8,16 35:2 36:1,8,9,20 37:19,21,24 38:7 42:15 44:5,6,8,9 44:10 45:1,4 50:4 50:9,10,14,15,19 50:21 51:16,18 52:7,9 53:11 54:13 55:7,13 56:4,13 57:1,17 57:24 58:21,22 59:16,21,22,22 60:17 61:2,7,21 61:23 62:3,8,11 62:11,12,25 63:8 63:10,12 71:13,13 71:19 73:11,16	71:21 73:20 accumulating 48:11 accuracy 45:14 46:2 accurate 60:12 61:19 62:23 77:5 accurately 44:23 45:19 acknowledging 71:18 action 51:25 actions 51:25 activity 57:13 58:22,22,24 added 68:20 adding 57:3 59:1 additional 52:7 additions 51:17 52:3 58:19 addressed 31:17 admission 46:15 admit 46:8,10 adv 1:6,14 advance 36:11 adversary 3:1,5 advised 5:19 advisement 6:16 affidavits 73:25 afternoon 7:5,6 44:2 47:1,2,15 ago 25:2 44:5 66:2 agree 9:25 10:3,8 10:24 12:5 13:7 13:11 17:22 19:16 64:8 69:9 72:12 ahead 7:1 69:6 al 1:9,17 3:2,6 allegations 48:19 amf 36:7 37:2,17 37:18 amf0008167 36:3	amount 40:5 50:13,18,23 52:21 53:2 54:8 59:23 61:8 63:10 amounts 48:2 58:7,16 59:4 amy 4:9 analysis 33:2 49:4 51:3 52:2,12 53:14,25 60:8 61:15 62:17,19 analyzed 24:11 answer 13:14,16 16:13 anybody 71:14 appears 42:1 72:18 appreciate 64:16 65:4 74:19 april 20:3 22:9 39:10,18 53:9 arguably 6:7 argument 71:23 72:2,13,17 73:23 arisen 71:11 asked 6:9 43:7 44:4 asking 24:8 26:12 37:21 42:21,24 43:7 assert 72:16 assessing 51:24 assist 47:24,25 assisting 51:24 assume 39:17 assumed 44:22 assuming 41:13 assumption 45:2 attorney 4:16 attorneys 4:3 august 22:15 53:23 66:19 70:19
8	56:4,13 57:1,17 57:24 58:21,22 59:16,21,22,22 60:17 61:2,7,21 61:23 62:3,8,11 62:11,12,25 63:8 63:10,12 71:13,13 71:19 73:11,16	accountant 44:19 47:12 48:15,17 accountants 55:12 56:11 57:5 57:10 59:13 accountholder 50:11,16,22 60:14 63:9,12 accounting 47:6 50:25 60:10 61:17 62:21 accounts 7:11,20 13:12 31:22 32:20 32:23 33:9,10,13 37:8 43:18 45:3 45:10,16,25,25 48:3 49:21,22,23 50:6 52:5,8,9 53:11,21,22 54:1 54:5 58:21 63:7	
8 58:25 61:6 8,000 49:21 8/19/99 20:18 8288 37:2 8th 35:16			
9			
9 1:23 59:3,4 61:6 9/26/2001 22:17 99 44:17,24 9th 20:3			
a			
aa 12:13,13 able 45:7 54:9 66:3 absence 24:9 absolutely 74:16 accepted 51:6 access 48:25 account 7:15,23 7:25 8:14,17 9:13 9:16 10:1,7,12,20 11:16 12:6,8,9 13:1,9,10,17,19 14:2,13,20 15:4 15:16,17,24 16:6 16:21 17:20,21,22			

<p>available 32:23 50:12,17,23 53:18 54:19,21 60:1 62:14 avenue 4:17 avoid 64:18 avoidance 51:25 aware 18:25 29:20</p>	<p>18:18 56:1 59:7 60:6 61:13 65:20 bearing 22:24 begins 12:1 behalf 47:3 believe 12:17 22:4 51:5 belonging 60:14 bernard 8:17 9:13 10:2,7,20,25 11:16 12:5,7 13:1 13:9,18 14:4,15 14:21 15:6 16:21 17:21,23,25 18:1 18:3,24 19:2,19 20:6,10 21:6,12 22:24 23:21,23 24:13,21,23,24 25:4,18 26:5,9 27:4,16 28:1,17 28:20 29:4,9,10 30:3,10 73:8 bernie 39:18 40:1 41:11 bernstein 2:2 best 5:18 53:4 64:24 67:7 bias 6:7,10,19 biased 6:14 binder 50:1 bit 34:16 blmis 27:22,24 45:1 54:15,20 55:9 56:5,7,25 60:13 61:20 62:24 71:7,13,21 73:17 73:18 blow 23:15 34:10 book 34:23 booked 65:25 books 47:25 48:9 48:9,12 49:19 52:13,17 54:17</p>	<p>59:7 bother 41:12 bottom 55:8 56:1 56:6 57:2 bowling 1:21 box 34:17 boxes 55:23 56:2 brief 70:17 briefing 69:3 briefly 50:8 briefs 66:20 brilliant 34:8 bring 16:25 26:20 broken 58:24 brown 4:12 bunch 9:4 30:18 business 18:9 30:22 71:4,5,8 72:3,4,23,23 businesses 71:9</p>	<p>cancels 43:9 captured 58:18 59:11 captures 59:4 careless 74:4 carisle 4:8 carol 28:16 37:24 39:7,17,25 40:4 41:10 carried 58:14 case 1:6,14 6:6 7:9 26:19 42:6 47:23 49:23 52:4 56:10 68:11 cases 49:12 53:21 68:10 cash 7:17 32:22 37:5 40:23 43:5 44:17,22 45:17,17 48:11,13,13 49:18 49:18 51:15,16 52:4,5,10,18 53:3 54:10 58:10 59:10 categorized 58:16 causes 51:25 certain 72:19 certainty 60:10 61:17 62:21 certify 77:4 chairman 4:20 chaitman 4:15 7:1 7:2,4 8:1,4,7,21 9:1,3,8,11 10:15 10:17 11:5,9,13 11:19,22 12:1,4 12:12,15 13:22,25 14:8,11,24 15:2 15:11,14,19,22 16:1,4,8,11,16,19 16:25 17:2,7,9,12 17:16,17 18:14,15 18:17,21,22 19:11 19:14,25 20:2,15</p>
<p>b</p>			
<p>b 1:6,14 2:1 3:2,6 b's 46:2 back 19:1,3 27:18 55:11,23 56:2,10 57:4 59:12 69:13 baker 4:2 balance 46:4 48:1 48:2,14 49:16,20 49:24 50:6 51:12 51:14,15,20,23 53:6,8,19 54:4,12 57:15,23 59:1,3 59:15 60:21 61:1 62:2,8 bank 7:16 13:12 27:15,25 29:16 30:6 32:5,10,12 32:25 33:4 35:18 36:21 37:9,10 39:11 44:12,15,18 44:21 45:11,12 48:21 72:23,24 73:16,19 bankruptcy 1:1 1:20 2:3 50:12,17 51:25 banks 18:9 based 51:9 54:9 68:5 72:15 basically 70:13 71:9 bates 8:10 10:6 11:18,25 17:4</p>			
		<p>c</p>	
		<p>c 4:1 5:1 77:2,2 calculate 48:13 51:13 calculation 46:4 48:1 49:16,20 51:13,15 53:7,8 53:19 54:4 57:15 57:23 58:25 59:16 60:21 62:2 calculations 50:6 51:20,23 call 9:18 25:7 45:22 46:19 56:15 called 40:1 callout 55:6,22 56:2 calls 41:11 cancel 40:7 41:8 cancelled 40:13 40:15 41:3,6 42:1 42:8,16</p>	

20:17,20,21 21:16 21:18 22:6,8 23:1 23:4,8,10,13,15 23:18 24:10,16,19 25:12,15,22,25 26:3,14,17,20,23 27:8,11,13 28:4,7 28:9,13,15,24 29:2,7,14,23 30:1 30:14,17 31:2,5,9 31:12,21 33:15,18 34:2,5,8,13,15,20 34:22,25 35:5,7,9 35:13,14 41:15,19 41:24 42:2,5,12 43:22 46:5 47:4 47:10 63:19,24 64:1 65:16,17,23 65:24 66:6,12,15 66:18,23,25 67:3 67:14,18,21 68:13 68:17,22,25 69:15 69:20,22 70:21 71:11,16,22,25 72:9,14,20 73:7,9 73:13,15,18 74:1 74:3,6,11,18,21 74:25 76:5 change 29:17 31:17 44:7 changed 18:1,3 29:16 30:8 changing 18:11 71:18 charts 32:25 chase 7:23 12:18 13:8 27:15,25 31:17,17 72:25 73:15 chase's 10:2 check 19:18 20:25 21:8,14 22:6 23:14,19,20 24:17	24:22,22 25:13,22 26:4,5 27:3,14 28:5 29:3 32:13 36:23 37:24 39:19 40:5,25 41:1,6,8,8 41:9,10,11 42:1,8 42:8,15,16 43:10 43:16 71:15 72:19 72:20 74:7 check's 20:25 checks 7:16 19:15 21:2 22:24 24:20 26:24 27:19,20,21 28:10 43:5 72:25 73:4,5 choose 53:16 chronological 54:12 58:12 cite 64:11,12,16 64:21 cites 64:18 citing 64:13,15 claims 51:24 72:16 clarify 5:23 clear 55:13 56:12 60:2 cleared 32:13 clearing 30:21 31:6 clearly 27:23 32:7 clerk 5:2 client 36:17 38:18 38:19,25 41:5,25 clients 38:2 cnx 41:7 code 54:8 codes 52:22 colleague 46:19 collectively 49:9 collura 5:5,11 6:21 7:5 9:25 19:16 25:16 44:2	45:24 47:7 76:5 collura's 5:21 24:6 color 67:11 colors 67:9 column 58:14,18 58:19,24,25 59:4 59:4,11 61:6,6 columns 58:1,2,2 58:12,15,15,23,25 59:3,6 60:5,23 61:5,13 62:4,18 come 69:13 companies 30:19 company 24:2 29:17 31:13 compare 56:13 compensation 6:3 6:18 compilation 8:8 compilations 17:5 complete 52:17 66:3 comprehensive 52:16 53:5 concerns 72:2 conclude 50:9,14 50:19 62:10 concluded 50:10 63:8 75:3 conclusion 45:14 45:17 50:15,21 51:9 59:15,18 61:1 62:7 conclusions 49:1 50:5 51:1 64:6 65:3 68:8 70:18 74:23 75:2 conduct 52:12 53:14,25 54:4 conducting 72:3 confident 60:8 61:15 62:19	confirm 37:16 confused 33:17 35:3 connection 48:16 49:4 consensual 74:14 consider 52:1,12 57:13 considered 61:11 62:16 69:5 consulting 47:19 47:20 contain 52:20 contained 37:19 38:11 54:6 58:8 context 48:18 continue 39:9 control 48:10 convince 72:1 convinced 72:18 copies 49:25 copy 10:10 38:13 corner 11:20 17:13 corporate 24:7 29:15 corporation 30:21 31:6 correct 7:24 12:23 15:5 20:13,14,18 25:20 32:18 33:13 33:22 45:13 55:15 70:8 correspondence 36:8 37:19 counsel 48:1 51:22 country 77:20 couple 5:7 43:24 44:5 64:9 course 39:1,2 67:6 court 1:1,20 5:3,5 5:9,16,25 6:1,4,7
--	--	---	--

[court - designated]

Page 5

6:10,13,18,21,23 7:1 8:23 9:2,6,9 11:4,7,17,21,24 12:3 17:4,8,10,15 18:19 22:22 23:3 23:6 24:8 26:12 26:16,19 33:12 34:4,21 35:8 41:18,20,22,25 43:23 45:21 46:8 46:12,14,18,21,24 47:2,9,11,17 48:6 51:25 53:20 57:25 63:18,20,24 64:3 64:5,9 65:2,9,16 65:22 66:5,9,11 66:13,21,24 67:1 67:5,16,19,22 68:6,16,19,23 69:1,8,10,18,21 69:24 70:1,9,13 70:16,20,22 71:20 71:23 72:1,12,17 73:3,8,11,14,16 73:22 74:2,5,10 74:12,17,22 75:1 cover 53:7 covers 12:21 53:9 create 60:3 created 58:11 creating 61:12 creditors 72:8 cremona 4:10 criminal 68:14,19 critical 32:6,9 cross 7:3 63:18 68:2,21,24 69:12 70:10 custodial 73:24 custodian 71:12 71:14,20 74:4 customer 7:19 36:1,18 37:11,18	38:10,11,11,22 39:4,12,16,21 40:7,18 42:9 43:9 43:14,15,16 44:15 44:18 45:3,8,15 45:18 48:2,21 51:17,18 52:5,14 52:15,16,23,23,25 53:24 54:2,3,6,15 54:16 55:6,8,10 56:4,24 57:2,4 58:4,5,8,10,13,17 59:8,9,13 60:6,14 61:14,20 62:24 70:25 customer's 40:11 40:14 customers 56:9 72:7 cw 37:4 39:10,11 43:5 d d 4:7 5:1 76:1 data 54:16 55:9 56:7,15 date 14:18 52:20 54:7 58:6 77:13 dated 8:11 9:12 10:5,18 11:14 15:3,15 18:16,23 20:3,9 21:6,10 23:19 26:4 27:3 29:8 30:2 36:10 david 4:13 davis 4:20 7:2,4 8:1,4,7,21 9:1,3,8 9:11 10:15,17 11:5,9,13,19,22 12:1,4,12,15 13:22,25 14:8,11 14:24 15:2,11,14 15:19,22 16:1,4,8 16:11,16,19,25	17:2,7,9,12,16,17 18:14,15,17,21,22 19:11,14,25 20:2 20:15,17,20,21 21:16,18 22:6,8 23:1,4,8,10,13,15 23:18 24:10,16,19 25:12,15,22,25 26:3,14,17,20,23 27:8,11,13 28:4,7 28:9,13,15,24 29:2,7,14,23 30:1 30:14,17 31:2,5,9 31:12,21 33:15,18 34:2,5,8,13,15,20 34:22,25 35:5,7,9 35:13,14 41:15,19 41:24 42:2,5,12 43:22 46:5 47:10 63:19 64:1 65:17 65:23,24 66:6,12 66:15,18,23,25 67:3,14,18,21 68:13,17,22,25 69:15,20,22 70:21 71:16,22,25 72:9 72:14,20 73:7,9 73:13,15,18 74:1 74:3,6,11,18,21 74:25 76:5 day 40:1 54:13 deal 65:9 71:2 dealing 6:2 dean 4:7 5:7 dear 39:18 debtor 72:8 debtor's 48:9,12 49:19 52:13,17 54:17 59:7 december 9:12 10:18 14:1,12 15:3,15,23 16:5 16:12,20,21 22:19	22:21 35:16 44:10 44:11,13,13 47:22 48:5,10 53:9,12 53:12,22 54:14,18 54:21 57:1,2 decisions 72:15 declarative 64:23 deducting 59:2 defendants 1:10 1:18 5:12 46:1 53:21 55:12 56:11 57:5 59:13 degree 60:9 61:17 62:20 demonstrative 5:20 deposit 27:16 28:1 28:20 29:10 36:12 36:15 40:23 45:7 52:25 59:10 deposited 27:20 29:3 62:13 depositing 27:24 deposition 67:6 67:24,25 depositions 66:1,4 68:9 depository 31:13 deposits 32:19,22 40:18 45:18 46:12 51:17 52:4,5,10 54:11 58:18 59:1 59:21 describe 48:6 49:14 description 54:8 58:6 descriptions 52:21 designate 67:12 designated 24:6 68:15
--	---	--	---

[designations - findings]

designations 65:22 67:7,12,24 68:2,9 69:2,4 70:7 70:10,11 detail 42:22 51:12 52:18 determination 71:6 72:4 determining 51:24 difference 23:22 24:1 68:10 different 10:12 26:15 30:18 34:18 54:17 67:9,10 71:9 digits 11:25 direct 47:7,13 director 47:19 discussed 57:9 disk 70:2,5 district 1:2 division 47:20 document 8:11,22 9:4,18 10:5,9,21 11:14,18 12:7 14:9,25 16:9,17 17:13,18,20,21 18:16,19 22:23 24:12 26:15 34:6 35:25 36:2,5,24 37:2,20 38:13,18 39:3,8,15 43:7 52:22 53:5 55:5,8 55:25 56:3,6,14 56:15,24 57:22 58:3 59:12,20 60:20,23 62:1 71:18 documentary 43:11 documents 7:10 7:12,12,15,19	17:5,9 19:3,8,17 24:9 25:3 35:21 36:7 37:11,17 38:9,17,22 39:12 49:3,6 52:11 55:2 55:21 56:21 60:3 61:11 62:16 doing 7:11 23:6 29:17 64:15 67:17 71:4,6 driving 70:23 dubinski's 6:3 dx 8:2,8 9:1,1,25 11:10 12:13,13 13:23 16:25 18:14 18:23 19:12 26:21 28:24 29:5,23 30:14 31:2,10	ends 12:1 23:11 entire 44:6 64:14 ernest 64:25 esquire 4:7,8,9,10 4:11,12,13,20 essence 30:8 essentially 51:15 54:13 et 1:9,17 3:2,6 everybody 35:10 evidence 11:4 32:13 39:6 41:17 41:21 43:11 46:6 68:11 72:10 74:7 exact 58:8 exactly 54:3 55:4 68:22 exam 76:4 examination 7:3 39:2 43:25 47:13 63:18 examine 68:21,24 69:12 example 45:4,5 exceeding 63:5 excess 50:11,16 50:22 59:23,25 61:8 62:14 63:9 63:11,13 exchange 65:8,12 65:14,19 66:7,8 67:22,23,24 69:18 69:19,23 excuse 27:11 61:16 exhibit 8:23,24 9:1,4,6 33:23,24 34:5,5,6,18,21 35:4,5,10 42:14 42:18,25 43:2 46:2 50:3 56:17 57:20 60:3,9,12 60:18,24 61:4,10	61:11,16,19,24 62:16,20,23 64:17 65:19 67:17,23 69:24 70:7 exhibits 5:20,21 23:7 49:25 54:23 55:18 62:5,15 64:16 66:7,9 68:1 69:16,21,23 70:3 70:10 existence 73:1 expedite 10:23 experience 68:8 expert 6:9,13 41:22 47:6 49:11 expertise 51:4 explain 69:2,6 extent 65:4 68:23
	e	examination 7:3 39:2 43:25 47:13 63:18 examine 68:21,24 69:12 example 45:4,5 exceeding 63:5 excess 50:11,16 50:22 59:23,25 61:8 62:14 63:9 63:11,13 exchange 65:8,12 65:14,19 66:7,8 67:22,23,24 69:18 69:19,23 excuse 27:11 61:16 exhibit 8:23,24 9:1,4,6 33:23,24 34:5,5,6,18,21 35:4,5,10 42:14 42:18,25 43:2 46:2 50:3 56:17 57:20 60:3,9,12 60:18,24 61:4,10	f
	e 2:1,1 4:1,1,9 5:1 5:1 13:23 76:1,2 77:2 earlier 33:3,5 easier 55:22 70:4 education 51:4 electronic 8:9 9:20 10:19,24 54:19,20 55:6 70:5 electronically 56:3,5,25 email 71:17 embody 68:3 74:13 employed 49:18 enclosing 36:23 endorse 73:4 endorsed 73:1 74:8,10 endorsement 27:14,23 endorsements 27:18,21	f 2:1 77:2 fact 40:24 42:24 68:8 70:18 71:17 facts 41:13,21 65:12 fair 12:24,25 42:13 60:12 61:19 62:23 67:14 far 19:1 february 28:8 file 36:1,7,18 37:17,18 38:10,22 39:12,16,21 43:13 43:14 70:14,15,17 70:18 files 7:19 38:11 45:2 financial 48:18,19 48:20,22 find 45:7 64:15 finding 64:23 findings 50:8 64:6 64:20 65:3,6,12 68:7 70:17 74:22	

[findings - instructing]

75:1 fine 18:20 65:2 first 5:10 8:5 35:1 35:15 49:15 66:22 70:14 74:3 five 11:25 36:15 folder 38:3,5 foregoing 77:4 forensic 44:19 47:6,11,19 48:15 48:17 50:25 57:10 forget 40:2 forgot 65:10 form 54:19 formed 14:18 18:8 19:6,9 22:2 30:9 72:21 former 71:12 forms 54:17 frame 74:15 fraud 48:19 72:7 front 36:6 37:1 fti 47:19,21 48:7 fti's 47:23 full 53:17 funding 8:9 9:20 10:19,24 funds 50:11,16,22 further 43:22 45:20 63:17,21,23	16:1,8,16 20:15 23:10 26:24 27:8 28:4,13 33:23 34:15,16,23 37:4 39:10 42:21 58:15 69:6 goes 24:8 going 9:3,4,24 10:4 25:25 39:9 41:25 58:9 64:11 66:13 69:13,13,15 69:18,23 good 5:24 7:5,6 8:1 13:22 44:2 47:1,2,15,16 greater 51:11 green 1:21 greenblatt 5:11 46:3,20,23 47:5 47:15,18 55:2 56:12 60:2 62:1 63:5 76:8 guess 67:6 69:1,11 71:1,3,14	hemingway 64:25 hesitating 38:9 high 44:23 highlight 67:9 highlighted 58:2 67:10 highly 6:5 hit 43:16 hold 41:18 holder 11:16 12:8 13:19 16:6 19:17 21:7,13 29:16 36:8,9 37:19,21 38:7 holder's 15:24 16:6 hon 2:2 honor 5:6 6:20 7:2 26:15 34:2 35:3 45:23 47:1 63:22 64:2,4 65:7 65:18,25 72:10 74:16 hostetler 4:2 hours 41:10 housekeeping 5:8 huh 5:9 hundred 36:15 hunt 4:7 5:6,7,10 5:15,18 6:1,5,8,12 6:15,20 24:6 35:3 35:6 41:13,17,21 43:24 44:1 45:20 45:23 46:7,10,13 46:16,19 63:22 64:4,8,25 65:7,11 65:19 66:17 67:4 68:5 69:6,9,23,25 70:8,12,15,17 74:16,19,24 76:6 hw 26:21 28:24 hypothetical 41:23	i ia 71:3,8 72:7 idea 73:19 identified 9:7 58:4 59:9 70:2 identify 5:12 17:4 54:9,11 57:22 60:20 63:5 identifying 53:3 58:9 65:20 important 32:7 incentive 68:21,24 69:12 include 67:25 included 49:5,21 incorrect 53:2 indicate 12:10 17:18 40:21 indicated 43:5 indicates 12:8 indicating 43:11 indication 42:7 43:6 indiscernible 5:14 8:25 11:25 17:11 68:14 individual 59:6,10 60:6 individually 73:4 inflows 52:3,5 information 6:16 17:8 44:20,20 48:22,25 52:20 53:18 54:7,9 56:13 57:6 58:3,8 58:13 60:13 61:20 62:24 initial 71:4 insolvent 72:8 instance 45:6 institutions 72:22 instructing 31:17
g g 5:1 general 48:20 generally 37:17 51:6 53:10,13 generated 36:4 give 5:18 given 66:10 global 8:8 49:15 50:3 51:12 53:8 go 7:1 8:4,21 10:13 12:12 14:8 14:24 15:11,19	h h 1:5,13 3:1,5 half 34:11 hand 11:20 17:13 46:22 happen 40:6 happened 22:4 39:25 40:4,10,12 happy 63:22 hc 19:12 head 38:16,21 hear 74:24 hearing 3:1,5 held 13:13 71:21 helen 4:20 hello 44:3 help 32:10 helpful 68:18		

[inter - madoff]

Page 8

inter 51:18 52:7 58:21,22 interesting 72:2 internal 32:2 45:1 internally 45:8 introduce 47:17 investigation 32:6 investigations 48:16 investment 13:2,9 13:18 15:6 16:22 18:2,4,24 19:2 23:23 24:13,24 25:4,18 26:9 30:3 30:10 involved 47:21 48:4,17 involving 7:8 irving 1:5,13 3:1,5 issue 49:23 68:20 68:25 69:1 71:1,3 71:11 74:12 issued 40:25 41:9 42:8,16 43:11,17 49:12,13 issues 46:9,10 70:23 issuing 41:12 it'll 26:18 item 52:18	judge 2:3 july 18:16,23 70:18 june 21:12,19 22:13 66:7,8 67:23 68:1 69:15 69:18,25 70:6,6,9 jury 66:2 jx 29:5	ledgers 48:20 left 57:25 67:5 legal 71:3 77:19 legitimate 72:3,23 length 53:17 letter 30:2,8,18 31:6,13,16 36:9 36:16,22 37:23 38:2,7,18 39:18 39:20 43:9,13 68:3 72:21 74:14 letterhead 18:24 25:10 55:9 56:7 56:16 57:3 letters 38:10 72:22 letting 73:4 liability 24:2 life 59:22 61:7 62:12 light 73:24 limited 24:2 line 37:4 40:5 52:18 64:12 67:7 liquidation 1:6,14 3:2,6 51:21 lisa 76:5 list 42:1 49:3 listed 8:14 13:18 17:21 listing 58:12 lists 10:19 65:19 66:7 67:19,23 69:24 70:7 litigation 47:19 little 26:18 34:16 35:3 llc 13:4,5,9,13,18 14:18 15:9,10,16 15:17,23 16:5,14 16:22 17:19,23,23 18:4,7,10 19:6,8 22:2 23:24,25	24:9,13,25 25:19 30:3,10 31:18 70:24,25 71:1,21 71:22 72:11,21 73:12 llp 4:15 located 50:1 logo 19:3,8 25:6,9 long 19:6,6 48:4 64:18,19 longer 26:18 look 7:25 8:9,11 11:3,14 26:8 27:14 33:23 35:1 37:16 42:25 64:17 71:8 looked 25:3 26:25 26:25 27:18 29:3 45:6 looking 28:10 35:4 48:17 lose 68:3 lot 32:1 44:4 66:11,14,18 lower 17:13 lt 19:12
j 4:10,13 j-p. 7:23 10:1 12:18 13:8 31:17 january 8:12 14:19 21:23 22:4 23:20 28:16 29:8 30:2 31:7 36:10 36:13 55:7,15 jpmorgan 71:13 72:25 73:15 jpmorgan's 71:20 73:3 74:12	k keep 5:16 10:4 26:12 kept 38:2 kind 39:2,20 66:10 71:10 know 5:13 18:12 25:7 26:14 27:23 28:9 30:20,24,25 34:23 39:4 40:1 41:22 63:22 66:1 66:15 67:8 68:7 68:20 69:11 70:22 71:8,11,15,20 73:22 74:1 knowing 40:3 known 65:3	l l 4:8 8:17 9:13 10:2,20,25 12:7 13:1,9,18 14:4,15 14:21 15:6 16:21 17:21,23 18:1,1,3 18:24 19:2,19 20:6,10 21:6,12 23:21,23 24:13,21 24:23,24 25:4,18 26:5,9 27:4,16 28:1,20 29:4,23 30:3,10 labelled 11:18 law 70:18 lcc 71:13,21	m m 2:2 30:14 76:2 mad 12:1 madoff 8:18 9:14 10:2,7,20,25 11:16 12:5,7 13:1 13:9,18 14:4,15 14:21 15:6 16:22 17:23 18:1,2,4,8 18:24,25 19:2,20 20:6,10 21:7,12 22:25 23:21,23 24:13,21,23,24 25:3,4,18 26:5,9 26:25 27:4,16 28:1,10,17,20 29:9,10 30:3,10

[madoff - okay]

Page 9

30:22 36:4 38:2 41:5 47:23 49:21 68:11 71:7 72:11 73:1,4,5,8,9,21 74:8,8,9,10 madoff's 29:4 32:2 37:8 madtss01284251 17:12 madtss01293772 8:10 madtss01338921 10:6 magic 34:8 mailed 55:10 56:9 57:4 maintain 54:15 maintained 10:1 39:21 54:16 58:4 maintenance 45:2 majority 38:22 managing 47:18 manhattan 27:15 27:25 march 19:18 21:25 22:2,11 26:4 27:3 marie 4:8 marked 8:24 marking 9:6 markings 8:24 match 64:22 matched 45:8 matter 1:4,12 47:21 48:23 49:13 matters 5:8 matthew 46:23 47:18 76:8 max 47:3 maximillian 4:11 mean 11:7 32:5 40:19 58:1 62:4 68:14 70:22 74:4	meaning 60:23 means 39:15 meant 62:4 media 49:3,7 mentioned 54:6 58:5,20 method 51:6 methodology 49:17,18 51:9 57:16 microfilm 54:21 microphone 46:25 middle 34:16 million 61:7 63:15 mineola 77:22 minutes 25:2 44:5 mischaracterized 22:22 model 65:2 momentarily 55:23 money 40:2 73:20 month 55:7,15 56:4,8 57:1 65:13 monthly 10:11 12:9 13:8 52:14 54:2 56:24 59:9 59:13 61:14 months 14:20 morgan 7:23 10:2 12:18 13:8 31:17 morning 5:24 47:16 move 19:25 moved 52:8 multi 64:16	16:6,21 17:18,21 17:23,25 18:11,25 20:4 21:8,14 22:24 24:2,22 25:4,7,18 26:4 29:15,18 31:18 44:7 47:18 71:19 71:21 72:18 73:1 73:10,20,21 names 23:7 national 30:21 nature 48:18 necessarily 17:10 necessary 53:25 need 34:15,16 40:2 65:5,22 66:3 67:6 69:10,11 72:5 needed 48:25 nelson 1:9,17 3:2 3:6 28:17 32:23 37:15 39:7,17,25 40:4 41:10 45:10 49:12,13,22,23 50:4,6 52:4 53:11 54:1,4 57:17 58:21 63:6 nelson's 37:24 nelsons 7:8,14,22 19:19 20:10 21:3 26:24 28:10 29:9 31:22 32:20 36:23 43:18 45:4,15 nescc 30:22 never 13:7 18:3,5 new 1:2,22,22 4:5 4:18 30:6 72:24 nicholas 4:10 notation 40:10 42:17 43:14 notations 43:19 notice 18:10 71:12	notices 46:8,10 notify 29:16 november 54:18 nscc 72:24 number 8:10,14 10:6 11:25 17:5 18:18 42:15 43:4 44:8,9 50:20 55:13 57:18 61:23 67:14 numbers 65:20 ny 4:5,18 77:22
o			
o 2:1 5:1 31:10 76:2 77:2 oath 6:23 object 69:2 objection 41:20 47:9,10 52:24 53:3 objections 47:5 65:8,10,12,14 66:8 67:10 68:1,1 68:7 69:7,16,19 70:6,9,10 observed 40:10 obtained 35:22 occ 72:24 october 10:5,8 21:21 offer 67:8 offered 45:24 oh 11:21 25:25 27:11 28:9 34:8 34:22 65:9 69:16 70:1,6 okay 5:18,25 6:12 7:1,10,18,21,21 7:25 8:20 9:2,8,12 9:17 10:4,13,14 10:22,22 11:2,9 11:21,23 12:11,16 12:20,24 13:6			

[okay - principal]

Page 10

14:7,20,23 15:18 17:16 18:3,6,13 18:21 19:10,17,22 19:24 20:8,12,12 20:24 21:1,5,9,15 22:5 23:14,19 24:1,20,25 25:2,8 25:11,21 26:1,7 27:3,7 28:3 29:8 29:12,22 30:13 31:1 32:12,24 33:3,21 34:22,24 35:6,13,15,18,24 36:4,9,16,19,21 36:25 37:3,7 38:5 38:15,24 39:1,1,5 39:6,9,17,25 40:9 43:3,18 46:7,21 46:24 47:11 49:11 50:8 51:11 53:13 54:22 55:13,25 56:19 57:9 63:4 66:23,25 67:3,18 67:21 69:8,15 70:20 74:2,17,18 old 77:20 ones 23:2 70:3 open 45:16 opened 33:6,19 53:21,22 opening 53:11 54:13 operating 12:22 18:8 opine 18:12 29:19 opinion 6:11 opportunity 13:15 52:24 53:2 options 31:6 order 27:15,25 48:13 53:18 54:12 68:3 74:14	organize 67:15 ostensible 72:3 ought 67:15 outlined 49:17 outside 57:16 owner 12:6 13:8 p p 4:1,1 5:1 p.m. 75:4 page 8:5 18:19 34:6,11,19 35:8,9 43:1,2 59:19 64:12,15,16,17 76:4 pages 64:14 65:20 paid 21:2,3 pamela 3:25 77:4 77:8 paragraph 64:20 64:21 pardon 66:12 park 4:17 part 72:3 particular 52:6 64:13 particularly 73:24 parties 64:11 65:19 69:9 partners 5:19 party 31:23 32:1 32:5,10,12 35:22 36:22 37:11 39:11 43:6 59:11 67:8 68:21 pause 5:4 6:22 8:3 8:6 9:10 11:12 12:14 13:24 14:10 15:1,13,21 16:3 16:10,18,24 17:1 19:13 21:17 22:7 23:9,12 24:18 25:14,24 26:22	27:10 28:6,12,23 29:1,6,13,25 30:16 31:4,11,20 34:7,12,14 42:4 42:11 43:21 50:2 54:25 55:24 pay 27:15,25 payable 74:8 payee's 32:13 payment 40:25 payments 7:22 people 49:8 perceive 24:12 percent 44:17,24 percentage 44:24 perfect 26:2 34:13 perform 53:18 performed 49:20 period 10:11 12:21 19:4 23:22 25:17 44:9,12,13 44:23 45:11,15 46:1 50:12,17,23 53:6,9,13,16 54:18 59:5,24,25 61:9 62:14 63:6 63:10,11,14,15 periods 33:3,5 44:20 54:20 person 69:12 personal 6:5,16 personally 49:8 68:12 72:11 ph 6:3 picard 1:5,13 3:2 3:6 pieces 49:3,6 pitts 68:14 placed 56:7 plaintiff 1:7,15 plaintiffs 76:3 planned 66:10	plaza 4:4 please 5:3,16 10:16 11:10 12:12 14:9,25 15:12,20 16:2,9,17 17:5 18:14 19:11 22:6 25:23 26:21 28:5 28:25 29:5,24 30:14 31:3,10 37:24 39:18 46:22 46:24 47:17 48:6 54:24 55:19 56:18 57:20 60:18 61:24 64:18 70:1 plural 63:2 plus 49:21 pm 1:24 point 26:11 points 51:23 64:9 ponzi 71:7 72:5,5 portion 6:2 portions 68:15 positing 41:9 position 42:3 post 64:6 66:20 69:3 70:14 prefer 66:21 prepare 11:7 prepared 9:24 10:23 preparing 7:14 presumption 72:6 pretty 6:16 previous 62:5,15 principal 46:3 48:1,2,11,13 49:16,20,24 50:5 50:11,16,22 51:12 51:13,15,17,18,20 51:23 52:3,7,8,19 53:4,6,8,19 54:4 54:10,12 57:15,23 58:10,16,19,20
---	--	---	---

59:1,15,23 60:1 60:21 61:1,8 62:2 62:7,14 63:6,9,11 63:13 printed 52:22 55:9,10 56:9 57:3 printout 56:6 prints 56:16 prior 18:9 19:8 44:22 50:12,17 54:20 problem 11:2 73:3 problems 64:19 proceeding 3:1,5 52:6 59:6 64:10 proceedings 75:3 77:5 process 7:11 produced 55:11 56:10 57:4 59:12 profession 51:7 professionals 48:8 property 70:25 proposal 65:7 propose 66:5 proposed 65:6,12 proprietary 71:5 proprietorship 18:8 30:9 proven 72:6 provide 49:3 public 6:17 pull 8:2 10:15 11:10 13:22 18:14 19:11 28:24 29:5 29:23 30:14 31:2 31:9 34:3 54:23 56:17 57:19 60:18 61:24 pulled 60:13 purported 57:13	purposes 53:3 57:15 59:5 put 46:3 54:11 55:23 56:2 70:1 71:14 putting 7:7 11:6 pw 64:10,19 q qualified 6:8 47:8 47:11 qualify 47:5 quantify 54:12 question 6:9 13:14 16:12 26:13 26:16 41:23 42:21 42:24 43:7 questions 13:16 43:22,24 44:4 45:20 63:19 71:10 73:24 quickly 19:15 quote 51:13 r r 2:1 4:1,12 5:1 77:2 raise 46:21 52:24 53:2 raised 70:23 reach 46:13 49:1 50:5 51:1 59:15 61:1 62:7 reached 50:21 reaction 71:5 read 11:22 13:8 18:17,18 64:14 67:12 73:23 reading 23:6 really 27:21 64:20 68:9 71:2 72:5 reason 65:17 reasonable 60:9 61:17 62:20	recall 14:18 25:2 25:5 recognize 55:2,21 56:21 68:12 recollection 43:19 64:14 reconcile 37:20 39:3 44:24 reconciled 31:22 32:22 35:25 39:15 44:15,17 45:24 reconciliation 32:7 reconstruction 47:25 48:8 record 5:23 6:2 11:23 36:21,22 37:7,9,10 45:7 77:5 records 7:16 10:2 31:23 32:1,2,5,10 32:12,23,25 33:4 35:18 39:11 44:10 44:12,15,18,21,25 45:1,11,12 47:25 48:9,9,13,15,19 49:19 52:11,13,17 54:17 57:9,10 59:7 redirect 13:15 43:23,25 reductions 58:20 refer 9:15 25:9 37:18 49:15 reference 56:1 60:3 62:16 64:22 referenced 36:3 37:2 38:13 references 59:7 60:6 61:14 64:18 64:22 referred 5:20	referring 7:13 39:20 reflect 61:11,13 reflected 19:17 57:6,14 58:23 60:9 61:4,16 62:20 reflecting 64:10 regarding 50:5 regularly 30:22 related 7:16,19 9:18 17:20 50:6 63:7 relating 7:10 relevant 6:6,7,10 6:19 27:20 52:6 60:13 61:14,20 62:24 reliable 32:2,4 relied 49:19 52:13 rely 50:25 52:12 57:10 65:21 relying 35:24 38:6 38:7 40:17 70:3 remaining 58:15 remember 33:6 38:16 remind 53:20 repeat 26:10 38:1 rephrase 26:17 replicated 51:3 reply 67:1 report 7:7,14 9:21 10:19,24 24:11 27:1 42:13 49:5 49:16,17,17 50:3 53:8 57:17 reported 45:19 48:12 53:1 58:7 58:17 reports 8:9 49:11 49:12,14,22 50:1 50:4 51:11
--	--	--	--

[represent - sorry]

represent 58:12 58:18 request 37:14 39:7 41:6 42:7,15 43:10 requested 38:19 41:10 requesting 37:15 38:7 39:22 requests 46:14 resolved 68:7 respect 42:13,14 43:18 50:14,19 52:17 68:13 respond 66:22 response 69:10,11 70:19 rest 64:3,4 result 44:16 61:6 results 51:3 60:8 61:15 62:19 retained 47:22,24 returned 41:3,8 review 7:14 48:16 49:6 reviewed 7:7,10 7:16,19 38:5 49:4 49:9 right 6:21 9:9,20 9:20,22,23 11:9 11:20 12:6,18 14:21,22 15:4,9 17:13,24 19:1 20:3,10,22 21:4,7 21:10,12,23,25 22:5 23:3,8,8,21 23:24,24 24:21,25 25:16,19 26:5 30:23 32:14,16,21 33:1,7,15,19 34:4 34:16 35:2,16 36:5 37:8,12,15 37:15,20,22,25	38:3 39:7,12,14 39:21 40:18,20,22 41:13 46:18,21 55:17,22 64:3,5 67:16 69:10,20,24 70:22 71:25 74:11 74:13,22 rise 5:2 road 77:20 rockefeller 4:4 role 47:23 48:6 roy 8:1 12:12 14:8 14:24 15:20 16:17 16:25 19:11,25 20:20 22:6 23:4 23:16 25:12,23 26:20 27:8 29:5 30:15 34:10 run 19:15 running 59:1 s s 4:1,11 5:1 76:2 satisfy 38:19 saying 37:24 40:9 40:12,14 69:22 says 15:6 27:14,15 27:25 28:20 30:8 37:4 39:10 40:18 41:11 schedule 59:3 64:6 66:5 68:5 scheme 71:7 72:5 72:6 scope 57:16 screen 34:3 seal 6:2 seanna 4:12 seat 46:24 seated 5:3 second 5:15,19 36:10 49:22 secured 48:10	securities 13:2,9 13:18 15:6 16:22 18:2,4,24 19:2 23:23 24:14,24 25:4,18 26:9 27:4 28:18 29:9 30:3 30:10,21 73:8,9 74:8 see 8:12,15,17,24 9:6,14 10:20 11:15 13:2,17 14:2 15:7 16:20 16:22,23 17:14,15 27:4,15 28:1,18 28:21 29:10 30:3 30:6,10,20 31:7 31:13 37:1 42:7 43:4 55:5 56:1 59:19,20 seeing 11:17 43:19 seen 13:7,11 19:2 19:8 31:16 41:4,5 71:17,18 send 18:10 37:24 39:18 46:8,14 70:2 senior 47:18 sense 32:4 64:5 66:24 67:11 74:15 sent 12:17 26:25 30:18,20,21 31:6 38:7 72:22,25 sentences 64:23 separate 67:19 70:1 separately 70:2 71:9 september 18:1 44:7 56:5,8 series 72:22 server 55:7	servers 54:20 shared 52:23 sheehan 4:13 shifrin 4:11 46:19 47:1,3,3,14 54:23 55:1,18,20 56:17 56:20 57:19,21 60:17,19 61:23,25 63:17 71:17 76:8 short 64:23,23 show 52:25 61:6 showed 40:14 showing 25:3 shown 40:5 shows 10:6,9 11:15 12:5 72:10 side 11:19 71:5 sides 64:3 significance 24:12 simply 57:3 64:6 single 7:8 40:9 66:17 74:7 sir 48:4 57:22 59:18 61:4 63:7 63:16 64:25 69:25 70:12 situation 41:16 43:9 skaw 3:25 77:4,8 skills 50:25 skip 23:1,4 24:16 25:12 46:2 skipping 28:14 slightly 10:23 smb 1:6,14 3:1,5 sole 18:8 30:9 solely 38:10 solid 65:25 solutions 77:19 sorry 5:18 28:11 33:16 34:20 35:7 36:3 37:18 38:1 41:19 42:18 43:1
--	---	--	--

[sorry - transaction]

Page 13

46:11 65:14 69:17 74:25 sort 48:15 52:1,11 69:2 source 60:3 61:11 62:16 sources 52:7 southern 1:2 speak 46:24 speaker 5:13 speaking 53:10,13 specific 13:14 43:19 45:3 50:4 57:17 specifically 48:8 49:23 50:9 52:4 52:14 53:16 65:13 stamp 28:20 standing 72:16 stanley 28:17 start 51:12 starting 33:5 57:25 stated 44:23 statement 9:12,15 9:19 10:10,11 12:6,9,16,17 13:8 13:17 14:1,12 15:3,12,15,20 16:2 23:22 24:23 40:8,11,14,18 41:5,7 42:7,9,9,17 43:15,16 45:8 52:25 54:2,16 55:6,9 56:4,8,25 57:2 58:4 62:24 statement's 16:6 25:17 statements 7:25 12:19 18:5 26:8 44:16,18 45:15,18 48:20,21,21 52:14 52:15,16,19 53:24	54:3,6,15 56:13 57:7,14 58:5,9,11 58:13,17 59:8,9 59:14 60:6,14 61:14,21 63:2 73:11,16,17,18,20 states 1:1,20 step 45:21 63:20 stipulate 46:1 stipulation 46:13 stopped 40:25 41:2 stored 56:3,5,25 streamline 47:7 string 64:18,21 structures 24:7 stuart 2:2 style 64:9 submit 65:5 66:19 substantive 56:12 57:6 suggest 47:5 suite 77:21 sum 61:5 summarize 50:8 63:4 summary 60:4,12 61:12,19 62:23 summer 66:10,16 summers 66:11 66:14,19 supervision 49:9 support 33:1 sure 17:7,12 26:25 38:14 58:2 72:12,18 sworn 46:23	talk 20:1 49:11 51:11 talked 49:18 talking 33:16 40:24 41:15 42:18 tasked 48:7 team 48:7 49:8 tell 38:14 ten 5:21,21 44:13 test 45:2 testified 32:19,22 38:2 58:11 testify 11:1 24:6 41:25 42:3 68:12 testimony 5:22 47:7 63:4 68:14 68:19 69:4 thank 5:25 6:20 7:2 8:5 9:2 11:21 12:3 13:21 16:15 23:17 25:21 26:2 34:8 35:6 42:10 45:21 63:16,20 74:16,19,21,22 75:2 thanks 20:16 thing 15:16 20:3,9 20:13,18,22 21:6 21:10,12,19,21,23 21:25 22:9,11,13 22:15,17,19,21 23:20 25:16,17 42:14 62:4 67:5 68:16 think 6:18 12:19 13:12 22:22 36:6 36:24 38:21 39:2 55:22 64:5 67:8 69:6 71:10 72:2,9 thinking 65:11 68:6 third 6:1 31:23 32:1,5,10,12	35:22 36:22 37:4 37:11 39:11 43:6 49:22 53:23 59:11 thousand 36:15 three 33:13 49:13 49:21,23 50:6 51:11 53:22 54:1 63:6,14 time 6:9 10:10 18:7,9 23:22 25:17 26:17 39:9 40:9 44:6,9,22 45:24 51:23 53:6 53:13,17 65:5 67:17,24 69:3 70:4 74:3,15,19 times 40:6 title 9:22 today 5:11 63:4 top 34:11 38:16 38:21 55:5,10,25 56:3,24 total 49:13 59:20 59:21,23 61:6,7 62:11 63:14 traced 45:25 tracey 3:25 77:11 tracing 27:21 33:2 track 68:3 trade 18:25 24:2 25:4,7 73:1,10,21 traders 66:1,3 trading 57:13 71:4,5,6 72:23 training 51:4 transaction 7:8 35:1,15,19,25 36:10,13 38:6 40:7,13,15 52:18 52:18,20,21,21,22 54:7,7,8,8 58:6,6 58:7
	t		
	t 76:2,2 77:2,2 take 6:15 26:18 46:24 55:22 66:16 takes 51:16		

transactions 7:9 7:17 32:11 39:13 40:21 43:5 44:17 44:22 45:17 46:6 48:12,18 52:1,19 53:4 54:10 58:10 58:17 59:10 transcribed 3:25 transcript 64:13 67:6,25 77:4 transcripts 64:12 68:2 transfer 58:21,22 70:24,25 71:1 transfers 51:18 52:8 72:7,10 trial 3:3,7 64:6 66:2,2,2,20 67:6 67:25 68:14,19 69:3 tried 31:23 46:13 true 7:23 14:16,17 18:11 19:7 21:3 22:3 26:14 29:18 32:3 40:5 42:14 72:14 77:5 trust 31:13 trustee 1:5,13 3:2 3:6 5:7 35:21 47:4 47:24 48:10 51:22 55:11 56:11 57:4 59:12 63:21,23 64:13 65:5 66:22 67:2 68:15 72:15 trustee's 5:20 43:2 49:25 54:23 55:18 56:17 57:19 60:2,9,12,18,24 61:10,10,16,19,24 62:15,20,23 69:16 try 26:19 turn 55:18 57:17 60:17 61:23	two 32:20,25 33:11 45:25 50:12 50:17,23 53:22 54:17 59:5,24,25 61:9 62:5,14,15 63:6,10,11,13,15 65:11,13 66:2 70:23 71:9,10 types 48:21 57:9 typical 52:3 typically 48:16 57:10	voices 5:16 vs 1:8,16	45:22 46:23 56:19 76:4
		w	witnesses 5:12 63:21,23,25 64:1 wonderful 26:10 words 6:13 40:19 work 24:11 32:8 41:4 42:6 65:16 69:13 70:4 worked 49:8 working 48:7 world 74:4 write 73:23 written 18:10 27:22 30:6 37:21 wrote 37:15 39:17
	u	wanted 5:23 18:9 56:1 way 40:3 64:24 67:7 72:19 ways 69:14 we've 30:9 66:13 74:7 weeks 65:11,14 66:2 went 27:1 32:24 33:3 williams 3:25 77:11 withdrawal 32:15 33:1 36:11,12 37:5,14,15,21 38:8,20 39:4,22 40:23 43:6,10 45:7 53:1 59:10 withdrawals 32:20,23 40:18 45:18 46:12 51:18 54:11 58:19 59:2 59:5,21,22 62:13 63:5 withdrawn 50:22 59:25 61:8,9 62:12,13 63:11 withdrew 50:11 50:16 63:9,13 witness 6:25 33:14 34:18 35:12	x
			x 1:3,11,19 76:1
	u 18:14,23 u.s. 2:3 uh 5:9 understand 6:24 18:7 24:1 29:15 72:13,17 unfortunately 42:2 unidentified 5:13 united 1:1,20 upper 11:20 use 39:3 44:19 45:1 54:3 64:23 66:3 usually 48:17,18 68:10 utilize 31:23	y	y 8:2,8 9:1,1,25 16:25 76:2 yeah 8:5 11:7 19:5 35:10 38:9 39:23 41:21 55:25 65:2 65:11,23 68:17 74:6 year 44:13 45:25 50:12,17,23 59:5 59:24,25 61:9 62:14 63:6,10,11 63:14,15 years 32:20,25 53:14 54:18 74:7 yesterday 6:2 32:24 york 1:2,22,22 4:5 4:18 30:6 72:24
			z
	v		z 11:10 zebra 11:11
	v 3:2,6 vacation 66:16 68:5 vacations 66:10 vanderwal 4:9 various 17:6 verified 32:19 36:16 45:12 verify 32:11 35:18 40:4 veritext 77:19		